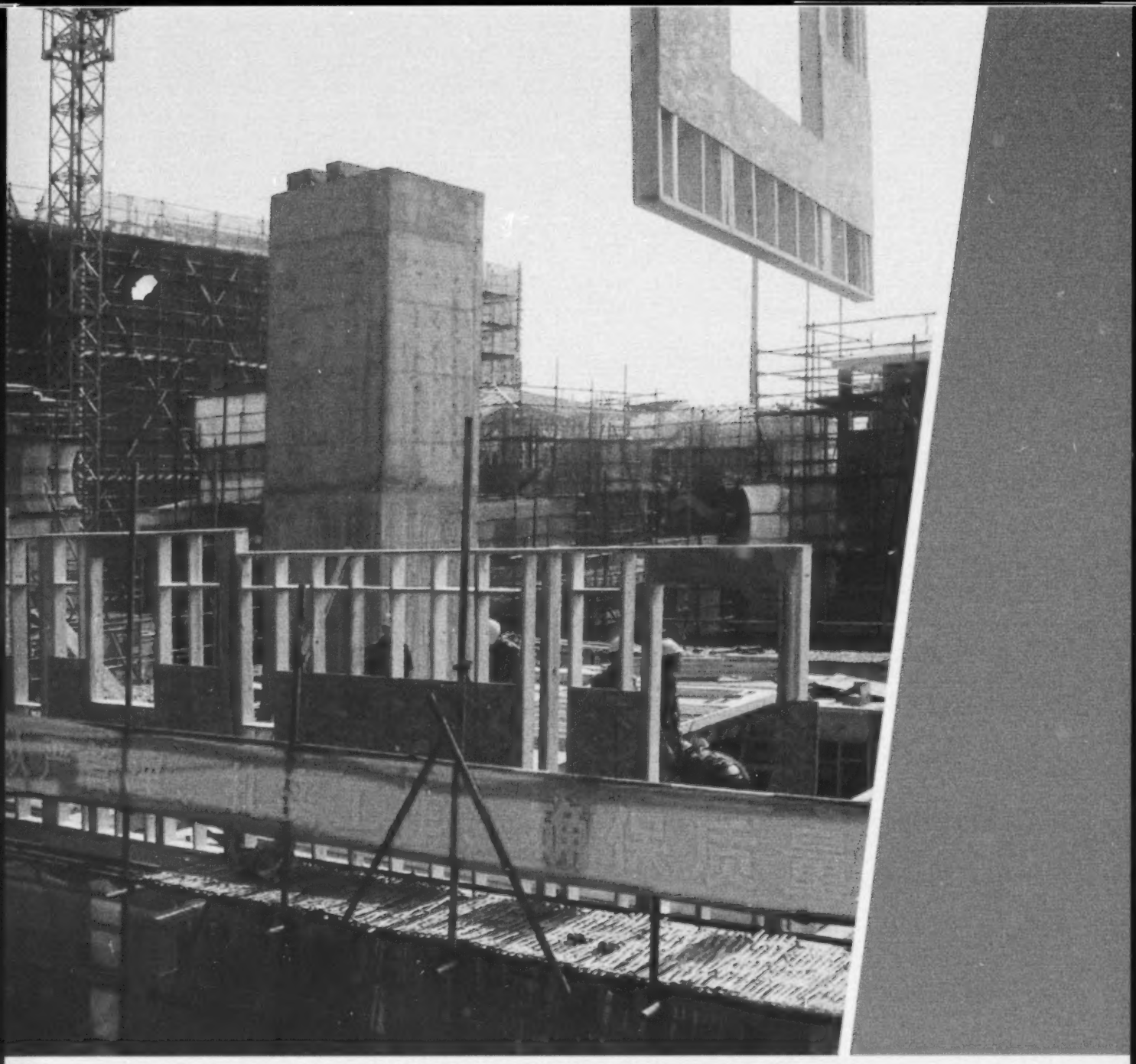
FORESTRY INNOVATION INVESTMENT NOVEMBER 2015

REPORT TO STAKEHOLDERS

2015

Forestry Innovation Investment



Front and inside cover images: "Yu Ling Long" (Royal Crystal Garden), a new green building development under construction in Suzhou, Jiangsu Province China. The leading-edge project incorporates interior non-load bearing wood partition walls and exterior wood infill walls. The wood used comes from B.C. *See page 26 for more details.*

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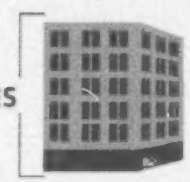
BUILDING A **STRONGER** **FOREST** ECONOMY

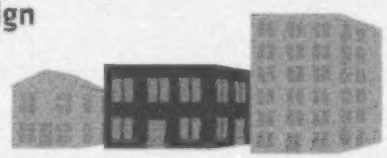
Global exports, sustainable forest management and efficient manufacturing have made B.C. one of the largest wood product producing regions in the world.

BUILDING UP WITH WOOD

Advances in wood product and building systems in B.C. are creating opportunities for larger structures.



The Wood Innovation and Design Centre in Prince George is the tallest contemporary wood building in North America



SINGLE FAMILY **LOW-RISE** **MID-RISE**

CONTRIBUTING TO B.C.'S JOBS & ECONOMY

$31.4 BILLION IN TOTAL ECONOMIC OUTPUT*

60,000+ EMPLOYED

7,300 BUSINESSES

$2.5 BILLION CONTRIBUTION TO GOVERNMENT

35% OF TOTAL EXPORTS

*Total gross value of all business revenue. Source: BC Forest Industry Economic Impact Study, MNP LLP, January 2015

DIVERSIFYING MARKETS

B.C. SELLS OVER 90% OF ITS FOREST PRODUCTS TO INTERNATIONAL MARKETS.

[$12.4 BILLION IN 2014]

ASIA 44%

JAPAN
$1.2 BILLION

CHINA
$3.8 BILLION

KOREA
$329 MILLION

INDIA
$91 MILLION

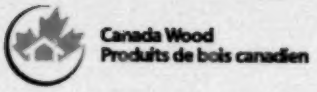
USA 44%

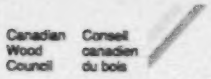
$5.5 BILLION

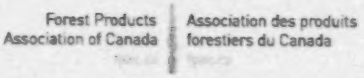
PARTNERING IN MARKET DEVELOPMENT

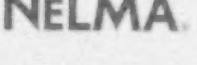
$1 = $2.66

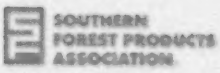
For every dollar FII invests, $2.66 in marketing activity is generated through funding by industry, the federal government and other partners.

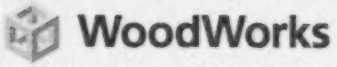


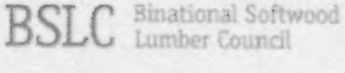


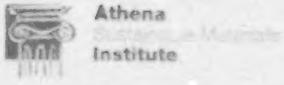


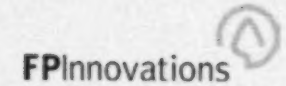












Natural Resources Canada | Ressources naturelles Canada

Working Together

We are proud to work with and support various forest industry trade associations, industry funding agencies, research institutions and government organizations. Together, we pursue a shared objective: growing markets for B.C. forest products. This annual Report to Stakeholders serves to highlight the many activities and initiatives that, together with our many partners, we are delivering at home and abroad.

Forest Industry Organizations

These organizations develop and deliver market development programs across North America and overseas, particularly in Asia.

- American Wood Council
- APA – The Engineered Wood Association
- BC Wood Specialties Group
- Canada Wood Group
- Canadian Wood Council
- Canadian Wood Council – Wood WORKS! BC
- Cedar Shake and Shingle Bureau
- Coast Forest Products Association
- Council of Forest Industries
- Forest Products Association of Canada
- Independent Wood Processors Association of B.C.
- Northeastern Lumber Manufacturers Association
- Southeastern Lumber Manufacturers Association
- Southern Forest Product Association
- Western Red Cedar Lumber Association
- Western Wood Products Association
- Wood Pellet Association of Canada
- Wood Products Council
- Wood, It's Real
- WoodWorks – Wood Products Council

Forest Industry Funding Agencies

The following co-fund with FII market development in North America.

- The Binational Softwood Lumber Council
- The Softwood Lumber Board

Research Institutions

These organizations pursue technical research and assist the B.C. industry with improving product design and manufacturing efficiency.

- Athena Sustainable Materials Institute
- Consortium for Research on Renewable Industrial Materials
- Dovetail Partners
- FPInnovations
- NEWBuildS (university research consortium)
- University of British Columbia
- University of Northern British Columbia

Government Organizations

These government organizations partner with FII in delivering market development activities in North America and abroad. The Ministry of International Trade provides the majority of FII funding, and Natural Resources Canada provides significant support for overseas programs, particularly in Asia.

British Columbia

- Ministry of International Trade
- Ministry of Forests, Lands and Natural Resource Operations
- Ministry of Jobs, Tourism and Skills Training
- Ministry of Environment – Climate Action Secretariat

Government of Canada

- Natural Resources Canada
- Foreign Affairs, Trade and Development Canada

Message from Minister of International Trade and Minister Responsible for Asia Pacific Strategy and Multiculturalism

The 2015 Report to Stakeholders highlights the many ways in which FII and its industry partners are working to position B.C. as a global leader in supplying quality products from sustainably managed forests. We also recognize that global markets ebb and flow — and as a small open economy, we know there are factors outside of our control that could, and sometimes do, affect B.C.'s economy.

This past year has been a turbulent one for the global economy. Volatility in commodity markets and a growing level of financial and political risk around the globe have contributed to uncertainty and a slowing of economic growth in many of B.C.'s key markets, including China. Despite this, British Columbia remains well-positioned for solid economic performance in the period ahead and continues to be a strong performer in international markets, particularly for forest products.

The forest sector plays a central role in the economy of B.C. Today, more than 90% of forest products produced in B.C. are shipped outside the province, with the vast majority destined for international markets. This fact alone demonstrates how important forest products are to British Columbians – the hundreds of communities, thousands of businesses, and tens of thousands of workers who rely on forestry for their livelihoods.

The B.C. government strongly supports programs that develop and diversify markets for the province's wood, pulp, and paper products. Through the programs and services delivered by FII and its industry partners, we are forging new opportunities for B.C. forest products in high-potential markets such as China and India. We are also continuing our support for programs that target new segments for wood and wood-based building systems in more established markets like the U.S. and Japan.

Co-funding these programs with industry and the federal government ensures that marketing activities provide good value for B.C. taxpayers. Combined with resources of B.C.'s network of trade and investment offices abroad, support for the forest products sector is second to none.

Through our continuing partnership with the Government of Canada and the B.C. forest industry, we are building on our strong reputation and ensuring that the future of the forest sector in B.C. is bright.

Teresa Wat

Message from Chief Operating Officer & Interim CEO

Evolution has been the watchword for FII in 2015, as our programs continue to evolve to meet the demands of a dynamic marketplace in both Asia, and here at home in North America.

In China, where the B.C. industry has enjoyed unprecedented success in recent years, we have seen changes in market conditions and reduced construction activity, combined with increasing global competition. Having been active in China now for more than a decade, it was timely to review and refresh our joint industry-government strategy for China. In the spring of this year, FII and industry partners completed a broad review and update to our approach for China, and put in place a fully integrated government-industry team in China to deliver it.

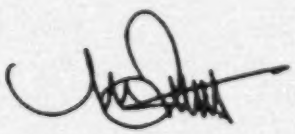
While India remains an emerging market for B.C., the country's growing consumption of wood products and its existing fibre deficit suggested that the timing was right for an aggressive push by the B.C. forest sector to enter the market. Today, our market development efforts are moving forward and early progress is being made. With a technical adviser from the Coast Forest Products Association now onboard with FII in India, the program is focusing on opportunities for appearance grade B.C. species in the domestic production of doors, doorframes, windows and architectural millwork and furniture – applications that have traditionally consumed hardwoods.

Closer to home, FII was engaged by the US-based Softwood Lumber Board (SLB) to deliver the reThink Wood program on behalf of the North American forest industry. The $2.35 million reThink initiative is a coordinated wood promotion program that communicates the benefits of using wood to design professionals in the United States. It represents a core element of the SLB's programming in the US, draws upon and leverages FII's marketing and communications strengths, and integrates with the activities of Woodworks and other US market development programs.

As in previous years, approximately half of FII's budget was directed to developing key markets in Asia and North America through funding activities delivered by industry trade associations and research institutions. FII also provided funding for market development and capacity building here in B.C. through the Wood First program, which works to advance the use of wood building systems and technologies and advance British Columbia as a world leader in wood construction and design. All these activities were underpinned by FII's Market Outreach program, which continues to partner with trade associations and related organizations to ensure that architects, developers, builders and other users of wood products are fully aware of the environmental merits of B.C.'s forest products, and BC's record as a leader in sustainable forest management.

This 2015 annual Report to Stakeholders highlights the accomplishments of FII and its partners in delivering programs and activities over past year. The report also describes the many initiatives currently underway in Asia, in the United States, and here at home.

As always, we welcome your comments on any aspect of this report or our programs.



Michael Loseth

Overview of FII

The B.C. forest industry is recognized globally for its production of high quality wood products, leadership in sustainable forest management, and for innovation in harvesting, processing and the development of advanced wood technologies and building systems. The 7,300 business in the industry directly employ over 60,000 British Columbians, generate over $30 billion in total economic output[1], and contribute $2.5 billion to government revenue. Ensuring that the forest sector continues to be a global leader and major economic engine for B.C. is a priority for the provincial government.

Established in 2003, Forestry Innovation Investment (FII) is the provincial agency charged with maintaining and expanding markets at home and abroad for B.C. forest products. FII works in collaboration with the forest industry, research institutions and other stakeholders to deliver innovative, forward-looking programming that responds to today's domestic and international market dynamics, as well as positioning British Columbia for tomorrow's challenges and opportunities.

Mandate

As directed by the Province, the mandate of FII is to:

- position B.C. as a global supplier of world-class environmentally friendly forest products,
- actively maintain, create and diversify demand for B.C. forest products in Canada and in key world markets,
- help break down non-tariff trade and market barriers to ensure opportunities for B.C. forest products,
- work with the forest industry to promote B.C.'s forest products and forest management to the global marketplace, and
- help ensure that the forest sector, through product development and strong international sales, continues to be a leading contributor to the B.C. economy.

Working together for a stronger forest economy

Steve Thomson, B.C. Minister of Forest, Lands and Natural Resource Operations (front right); and Ben Stewart, B.C. Special Representative in Asia (centre) join with officials from industry, FII and the B.C. and federal governments in Beijing, China during the annual B.C. forest sector mission to Asia.

The annual trade missions have become an important feature of the market development program for wood products in Asia, and a central part of the fall calendar for both the forest industry and government.

Highlights from the 2014 mission to Japan, China and South Korea are included in the "Market Reports" section.

[1] Total gross value of all business revenue. Source: BC Forest Industry Economic Impact Study, MNP LLP, January 2015

Mission

To develop and diversify domestic and international markets for B.C. forest products by working collaboratively with industry, government, and institutional partners, and by making well balanced investments that respond to government and industry priorities while maximizing value to the Province of B.C.

Program Delivery and Organizational Structure

Two business divisions deliver FII programs: Operations and Corporate Services. The following table summarizes the activities of each of these divisions and their respective program areas.

OPERATIONS	
MARKET INITIATIVES	• Research opportunities in new and emerging markets, and initiate early market exploration activities • Support industry trade associations in developing and/or expanding markets and market segments for B.C. forest products • Support industry efforts to mitigate market access and plant health issues • On behalf of the forest sector, manage outreach and relationship building with Chinese authorities and central government agencies • Undertake early-stage market development in India
WOOD FIRST	• Champion the Province's Wood First priorities and encourage expanded wood use in B.C. • Raise awareness of the Province as a world leader in advanced wood construction and design • Advance the use of wood building systems and technologies • Encourage a robust valued-added sector in B.C., through enhanced capacity and competitiveness
MARKET OUTREACH	• Promote the benefits of wood as a green building material • Develop factual and science based materials to position wood's environmental benefits and climate change mitigation potential • Promote B.C. as a world leading supplier of forest products • Ensure markets are aware of B.C.'s sustainable forest practices and high environmental standards
CORPORATE SERVICES	
FINANCE & ADMINISTRATION	• Ensure financial reporting meets or exceeds government standards • Provide Human Resources, IT and office services to meet organizational needs • Oversee budget and planning, internal controls and cash management
CORPORATE RELATIONS	• Provide corporate communication and analytical services to meet internal and external needs • Support government and industry trade missions and related initiatives • Compile and share export data and analysis of market trends

2014/15 Expenditures and 2015/16 Budget

FII operates with annual funding from the Ministry of International Trade. The table below compares the previous fiscal year's (2014/15) budget with actual expenditures as well as the projected budget for the current year (2015/16):

Statement of funding and expenditures by program
Comparison of budget and prior year
(in thousands of dollars)

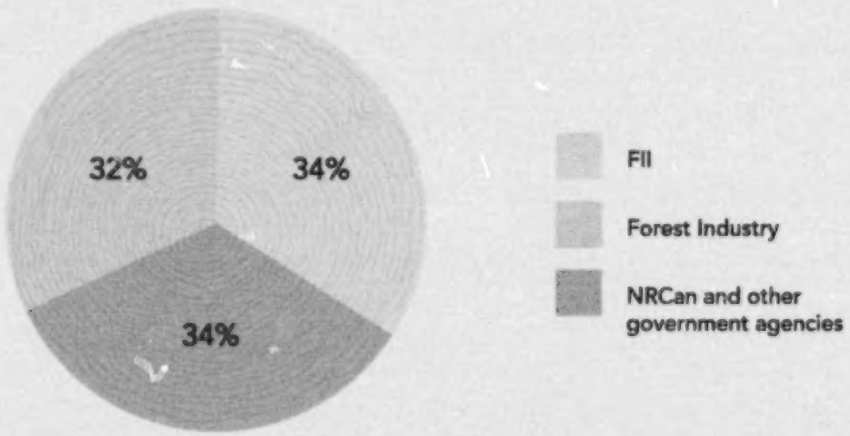
	2014/15 Budget	2014/15 Actuals	2015/16 Budget
Revenue:			
Government contributions			
Provincial	$ 17,000	$ 16,813	$ 17,370
Federal	600	1,027	700
Other revenue	200	763	2,000
	$ 17,800	$ 18,603	$ 20,070
Program expenses:			
Funding recipient initiatives	$ 9,030	$ 8,808	$ 9,100
Market initiatives and outreach			
FII Vancouver	3,070	3,466	4,920
FII China	2,800	3,009	2,900
FII India	1,700	1,949	1,900
Corporate Services	1,200	1,225	1,250
Total expenses	$ 17,800	$ 18,457	$ 20,070
Annual surplus	$ -	$ 146	$ -

In 2014/15, FII received funding of $16.81 million from the Government of B.C. consisting of $16.29 million in operating revenue and $0.52 million in capital funding. FII received an additional $1.03 million from Natural Resources Canada of which $0.75 million was to support market development activities of FII's subsidiary in India. In 2014/15, FII generated an additional $0.81 million in other funding, with $0.71 million of this coming from the private sector to share the cost of delivering activities undertaken in collaboration with industry trade associations.

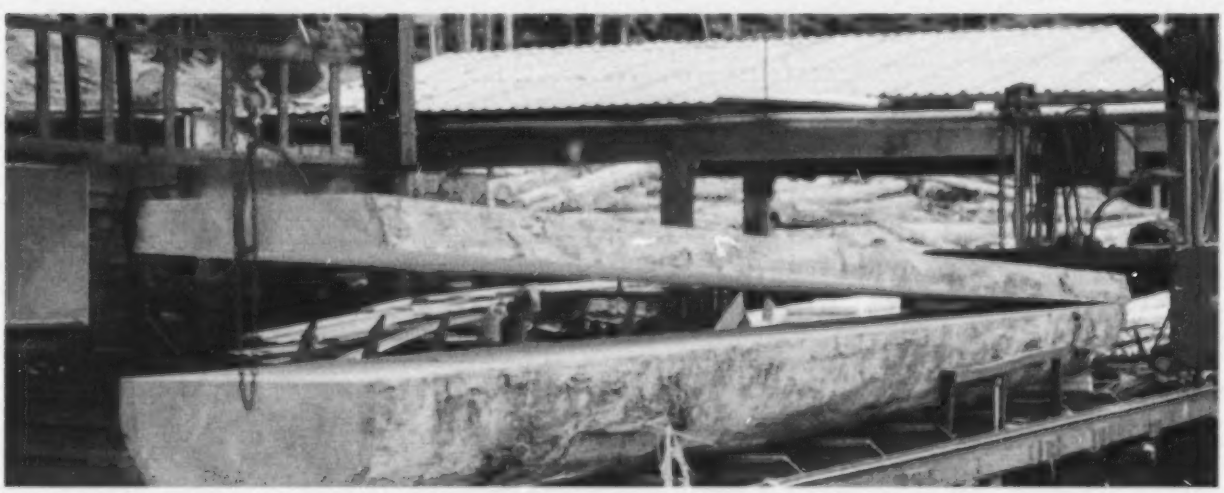
During the year, FII spent a total of $17.23 million to deliver market outreach and market development initiatives in Asia, the US, Canada, and Europe. This amount included $8.15 million committed to pay, in part or full, for market development activities proposed and ultimately delivered by trade associations and other not-for-profit organizations. Of the funding to trade associations and institutions, FII directed $2.05 million to support the Province's Wood First priorities, such as development of new building systems and increased manufacturing capacity in the value-added sector.

Through these expenditures, FII was able to leverage over $15.31 million in contributions from industry and the federal government. For the activities that FII funded with trade associations and others in 2014/15, the cost sharing was as follows:

Cost Sharing Percentages 2014/15



FII expects total revenues and expenditures to total $20.07 million in 2015/16, up $1.47 million from last year mostly due to additional funding from industry in support of the US reThink Wood program.



Specialty beams and components for timber frame buildings are cut at the UBC Malcolm Knapp Research Forest.

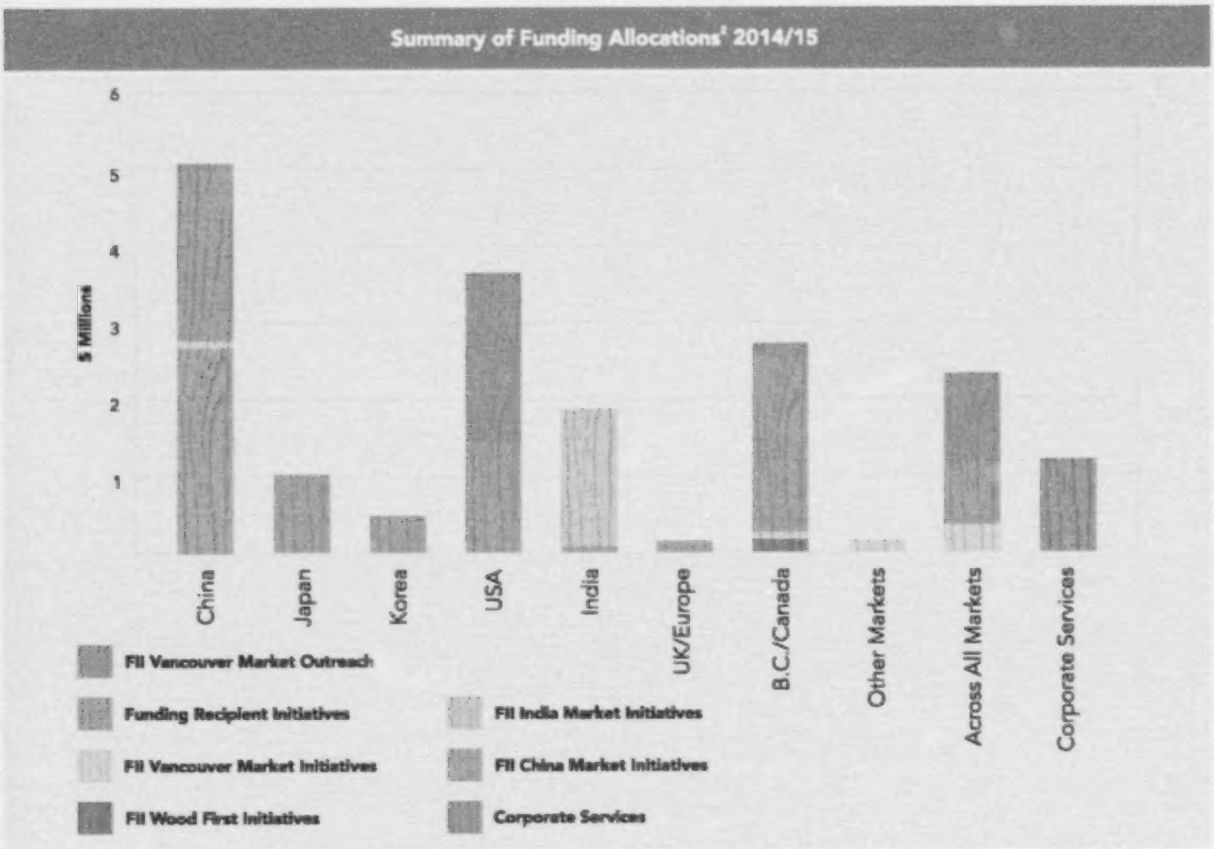
Market Priorities

FII continues to rely heavily on trade associations to develop and deliver market development programs based on country-specific strategies and quantified sales objectives for each product line and identified end-use. FII staff in Vancouver initiate research into new market possibilities (e.g., for exports into Southeast Asia), while supporting the industry with a wide range of communications materials in established markets.

FII's focus in China is to advance our new integrated delivery structure with Canada Wood, building on the skills of a highly efficient and focused team. FII's key role in the team is to develop deeper and broader relationships with Chinese government officials at all levels, as well as with state-owned real estate developers. Taking advantage of emerging trends in China and central government direction, the team aims to capitalize on opportunities to position wood for its green building, energy efficiency and carbon reduction opportunities.

Now that FII India's early establishment phase is complete, its employees and contractors, including a technical adviser funded by the Coast Forest Products Association, are reaching out to Indian wood users, gathering detailed knowledge of the best commercial prospects, potential customers, and distribution channels. They are also actively working to assist Canadian forest sector representatives exploring opportunities in India.

Below is a summary of projected funding allocations by region for 2015/16:



[1] *'Funding Recipient Initiatives'* refers to funding provided to industry associations and other groups to carry out market development activities they propose. 'Funding Recipient Initiatives' also includes $2.3 million under B.C./Canada directed to Wood First Initiatives. Amounts include associated program administration.
'FII Vancouver Market Initiatives' refers to funding for product and market development activities managed directly by FII, including market research, market outreach and demonstration projects.
'FII China Market Initiatives' refers to activities directly managed by FII Consulting (Shanghai) Co. Ltd.
'FII India Market Initiatives' refers to funding activities to establish a subsidiary company in Mumbai, India and conduct market research managed by FII.
'FII Wood First Initiatives' refers to funding for FII's internally initiated projects related to Wood First, such as commissioning technical studies of cross-laminated timber.
'Corporate Services' refers to FII's accounting and financial reporting and general office functions that support all program delivery, transparency and government regulatory requirements.

Market Trends

Regional Overview

A wide range of factors influenced international markets over the past year, including currency exchange-rate volatility, varying economic performance in key regions, and local market factors that reflected demand for housing and capital construction such as interest rates, employment levels, and incentive programs targeted to homebuyers. Those that influenced demand in the US, China and Japan were the most significant to the B.C. forest sector, as these three countries account for more than 85 per cent of international sales of B.C. wood products.

During 2014, stronger economic growth in the US led to improved wood product sales by volume and price, although this trend has weakened in 2015. At the same time, slower economic growth in China and, to a lesser extent in Japan, had a dampening effect on demand and sales in Asia. This impact was partially offset by a weakening value of the Canadian dollar against the US currency (i.e., because most B.C. forest product exports are transacted in US dollars) as well as the falling global price for oil, which lowered production costs at home and helped stimulate demand, particularly in China. However, continuing economic slowdown in China has carried across into 2015, affecting the pace of construction and dampening the overall demand for wood products.

The economies of Japan, South Korea and Europe have also struggled over the past year as governing bodies enacted fiscal policies to encourage growth by devaluing currencies, increasing exports, and increasing domestic consumption. As a result, the demand for certain wood products, including lumber and pellets increased in some select markets, including Korea, during the period.

Markets for B.C. Wood Products

In 2014, the rise in total housing starts in the US translated to an increase in demand for wood products. US softwood lumber production rose 6% to 71 million m^3 while imports climbed to 29 million m^3 (+11%). While per capita consumption of lumber and panels reached a six-year high, the ratios are still less than those observed during the market peak in 2005. Of particular significance, multi-family construction in the US now forms a larger portion of the housing segment representing 35% (+2%) of all starts in 2014, up from 17% in 2005.

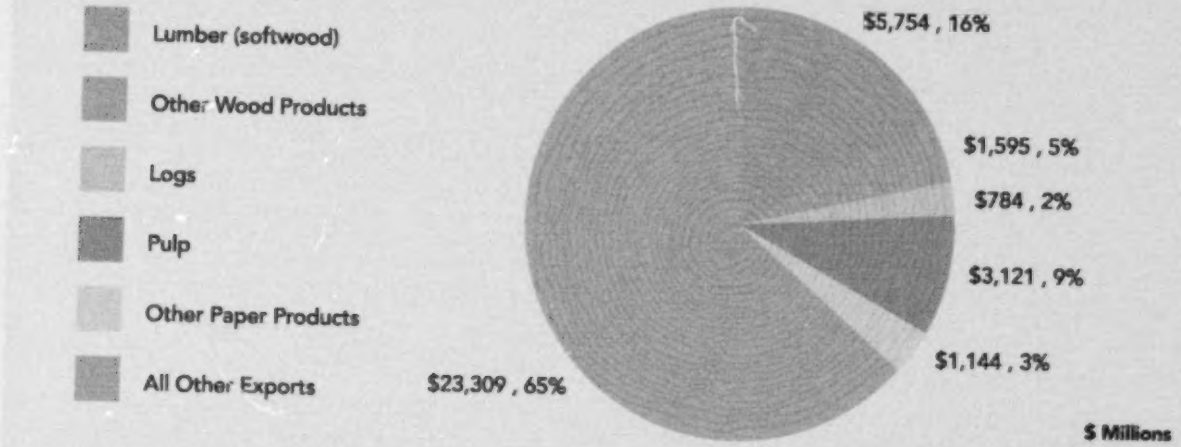
The majority of the softwood lumber in China is used in applications such as concrete forming and furring strips on construction sites as well as in pallets and crating for exports. While volumes to China have plateaued, returns from China may continue to increase due to a better volume/value mix of products in the future. In 2014, B.C. exports to China remained strong as China's overall softwood imports rose 4% to 17.6 million m^3. While B.C. shipments dropped 5% to 7.6 million m^3 in volume (after increasing by 2,400% between 2003 and 2013), they increased in value.

In Japan, the drop in housing starts meant lower demand for wood products. In 2014, Japan's domestic softwood lumber production fell 4% to 9.6 million m^3 while imports dropped 17% to 6 million m^3. B.C. lumber producers saw sales decline by 19% as sales fell to 2.1 million m^3, the lowest volume sold since 2009. While the imports of softwood lumber and panels fell, the demand for value-added wood products was unaffected.

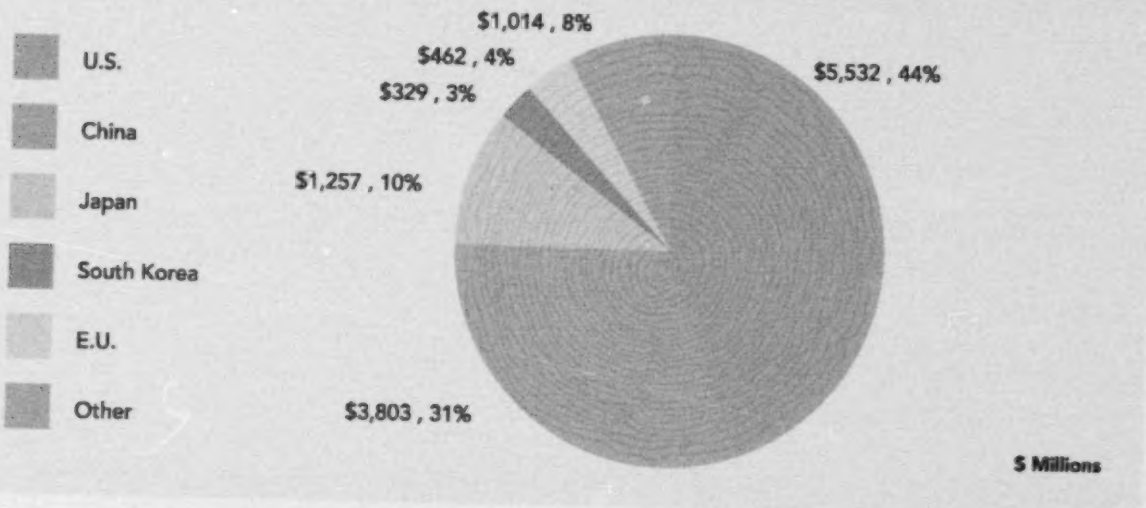
By contrast, the demand for all wood products in South Korea rose in 2014 due to the housing recovery. Softwood lumber imports were estimated at 1.75 million m^3 (+17%), with Canada, Korea's fourth largest supplier, selling 7% more softwood than the previous year.

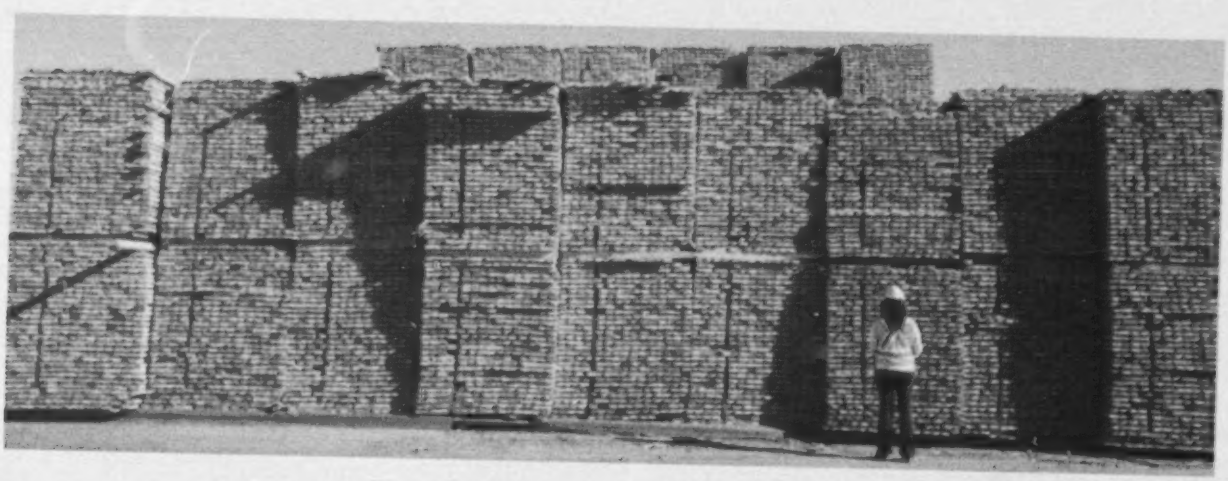
India is an emerging market for softwood products and volumes of B.C. wood products shipped to India remained small (30,400 m^3) in 2014. However, market conditions in India have become more favourable to softwood products in recent months and B.C.'s exports through the first half of 2015 are up substantially over the same period last year (38,000 m^3). Although softwoods represented only about one-quarter of India's wood imports in 2014 (hardwoods have long been favoured), Myanmar's recent ban on exports of teak logs has increased the share of softwoods to roughly one-third of India's current total imports, opening new opportunities for B.C. exporters.

BC Exports by Product Type (2014)

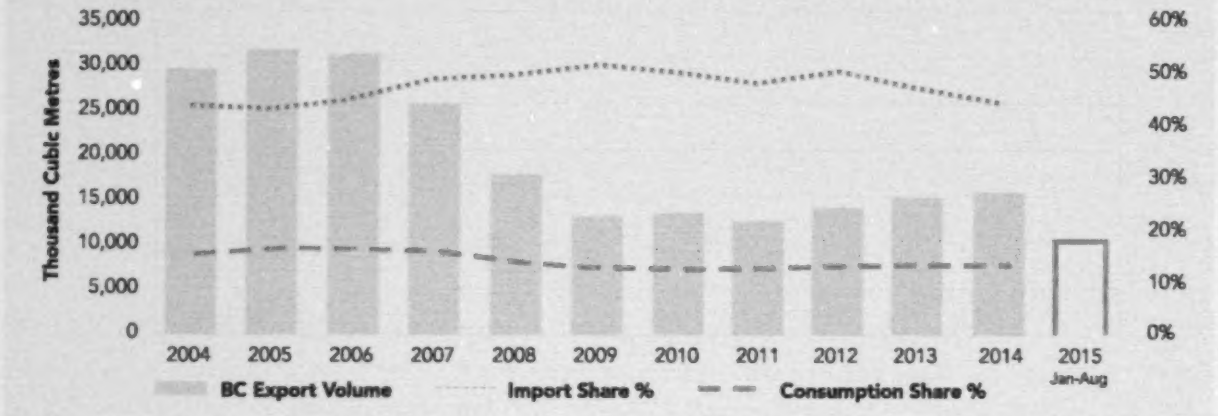


BC Forest Product Exports by Market (2014)





UNITED STATES



B.C. Position

- 43% of all commodity wood product (lumber and panels) imports by volume
- 49% of softwood lumber imports by volume
- 17% of wood panel imports by volume

Export Sales

- 2014: 15.7 million m^3 of commodity wood products valued at $3.4 billion
- 2015 (through August): 10.8 million m^3 valued at $2.4 billion (this represents a 5% increase in volume and 9% in value over the same period last year)

Market Overview

The US is B.C.'s largest market for wood products, driven heavily by a mature single-family housing sector dominated by wood-frame construction (WFC). Consumption of value-added and cedar products is also extensive.

Overcoming a less than ideal start, Gross Domestic Product (GDP) in the US grew by 2.5% in 2014. The labour market also improved as unemployment dropped to a six-year low. While inflation was relatively stable at 1.6%, overall business and investor confidence continued to rise during the year. Analysts expect GDP to continue to grow somewhere between 2% and 4% through 2016.

Production, Consumption and Imports

US housing construction continued to be one of the strongest segments of the economy, with total housing starts surpassing 1 million (+8%) for the first time since 2007. As housing starts grew, lumber production rose to 71 million m^3 (+6%), consumption to 96 million m^3 (+8%) and imports to 29 million m^3 (+11%). Wood panel consumption grew to 31 million m^3 (+3%), production remained flat at 26 million m^3 (+0%) and imports grew to 7 million m^3 (+10%).

Over the last several years, the number of renters has grown steadily, while the number of homeowners has declined. Construction of single-family units grew by 5% 648,000 units, while multi-family units grew by 16% to 355,000 million units - the highest level since 1990. While total demand for wood products increased in 2014, housing starts remain below historical levels but are expected to increase through 2016 and beyond.

B.C.'s Share of Wood Products

Following construction trends in the US, B.C.'s supply of lumber and panel products to the US increased to just over 15 million m^3 (+6%), the highest volume since 2008; however, the province's share of lumber imports dropped to 49% (-5%), as did B.C.'s share of consumption to 15% (-0.2%). B.C. supplied just over 1 million m^3 of wood panels (-14%). The province's share of lumber and panel imports together was 43% and share of consumption was 12%. Value-added wood product producers increased sales to the US for the third year in a row, but sales remain half of those levels measured 15 years ago.

Opportunities and Challenges

Several factors may influence wood consumption in the US moving forward including the continued shift from single to multi-family housing, trends toward sustainability and green building, and supply-side constraints including labour shortages and transportation difficulties.

Most single-family housing in North America uses wood-frame construction as the primary building method; however, wood enjoys a smaller share of non-residential structures as well as multi-storey, multi-family residences. The acceptance of new generation wood technologies such as taller wood buildings, and products such as cross-laminated timber, continued to accelerate during 2014.

Market Strategy

The US housing sector, in particular single-family home construction, remains the leading consumer of B.C. lumber, panels, cedar and value-added wood products. FII's focus in the US is to support work that expands wood beyond the single-family residential segment and into non-residential (commercial, institutional, recreational, educational) and multi-family/multi-storey construction. This segment has significant opportunity to increase wood's market share, and to expand opportunities to use wood both structurally and architecturally.

FII supports the WoodWorks program delivered by the Wood Products Council in partnership with Natural Resources Canada (NRCan) and the US-based Softwood Lumber Board (SLB). Advancing the use of wood in apartments, mid-rise and taller wood structures is encouraged through program activities that help architects, builders and developers incorporate more wood in their projects, as well as convert their projects to wood from other materials. WoodWorks technical specialists, located in key regions around the country, work closely with specifiers to help them understand and appreciate the various benefits of using wood, and to capitalize on advanced wood technologies and related engineering systems.

Maintaining support for value-added products is also a priority for FII, and investments are targeting applications such as resort homes, log and timber frame structures, pre-fabricated housing, cabinetry, shakes and shingles, millwork and finishing. Expanding opportunities for engineered wood products, remanufactured lumber and other products supplied by B.C. firms is also a priority. New research in First Nations housing is expected to identify additional niche opportunities for B.C. producers. Promotion, research, or technical support for end users that will significantly enhance returns from repair and remodelling opportunities, as well as the development of niche opportunities in US value-added markets remains a core part of the strategy for the US.

reThink Wood showcase at Greenbuild International Conference and Expo in New Orleans, LA, November 2014.

FII also recognizes that the US is the most important export market for western red cedar; therefore, activities are continuing to position cedar in growing market segments and differentiate cedar products from non-wood substitutes. Efforts are focusing on educating the next generation of key participants in the supply chain on the attributes and characteristics of cedar, and on proper installation practices for end products. Public relations and promotion will continue the shift from traditional print advertising to a growing online and multimedia presence.

US wood products marketing and communications efforts are benefiting from a focused and strategic messaging program to "rethink" wood use, address misperceptions and enhance awareness of wood's benefits and choices, particularly in the context of building with wood in mid-rise and non-residential applications.

The reThink Wood strategy and activities are designed to support and amplify a range of wood products organizations that deliver services to architect and engineering communities, including US WoodWorks. Consistent messaging and cross-promotion across initiatives are bringing focus to key messages, target audiences and strategic outreach activities. The SLB is pursuing this coordinated and comprehensive marketing and communications strategy in collaboration with FII.

With growing pressure to reduce the carbon footprint of the built environment, building designers are increasingly being called upon to balance functionality and cost objectives with reduced environmental impact. Wood can help to achieve that balance.

reTHINK WOOD®

ReThink Wood Message Platform

- WOOD COSTS LESS.
- WOOD IS VERSATILE.
- WOOD MEETS CODE.
- WOOD IS RENEWABLE.
- USING WOOD HELPS REDUCE YOUR ENVIRONMENTAL IMPACT.
- WOOD PRODUCTS PLAY A SIGNIFICANT ROLE IN A MODERN ECONOMY.

Select Accomplishments

- Approximately 250,000 US industry professionals attended events highlighting wood, generating an estimated $135 million in incremental sales of wood products.
- 80 per cent of builders, architects and specifiers engaged by the WoodWorks program said they viewed wood as a preferred building material.
- 15,919 individuals received training to use wood products in their building projects via Wood Solutions Fairs, lunch-and-learn workshops, and educational seminars run by WoodWorks in partnership with various associations of architects and engineers.
- WoodWorks program promotions were particularly successful in extending their reach with over 221 advertisements placed. These promotions reached an estimated total audience of over 240 million potential consumers.
- 370 multi-family and non-residential building projects were either converted to, or influenced to use wood, resulting in $253 million in incremental wood products sales and shipments of 263 million board feet of lumber, 76 million board feet of engineered wood products and 152 million square feet of panels.

Growing demand for wood – reThink Wood and the North American wood products industry

FII continued to cost-share and deliver the reThink Wood program in partnership with the SLB to promote and increase awareness of structural and appearance softwood lumber products among architects, engineers, and developers in the US multi-family and non-residential markets.

In 2014, reThink Wood-generated articles produced more than 250 million online and almost 2.1 million print impressions among its target audience. reThink Wood outperformed concrete and steel messaging on social media channels capturing a 40% share of voice, compared with 31% for concrete and 29% for steel messaging[1]. In other words, the overall sentiment for wood was positive. reThink Wood took its message directly to specifiers by leading a coordinated tradeshow presence at the American Institute of Architects National Convention and Design Exposition and the GreenBuild International Conference and Expo, reaching over 18,000 attendees combined.

Meanwhile, 8,057 architects and engineers took over 12,550 course hours on at least one of reThink Wood's continuing education units. Thanks to these education and outreach efforts, reThink Wood directed more than 300 sales-ready leads to WoodWorks (an FII funding recipient) and contributed more than 10,000 architect and engineer contacts to WoodWorks' database for further analysis.

Five-story multi-family construction – Crescent Terminus

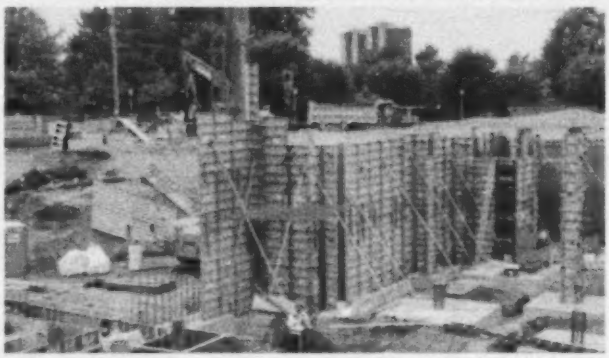
3.1 million board feet (equivalent) of wood products were used in the five-story wood-frame buildings that make up Crescent Terminus' 355 units. It takes US and Canadian forests 16 minutes to grow this much wood. The total carbon benefit attributed to Crescent Terminus by the Wood Carbon Calculator is over 13,000 metric tons of CO_2, or the equivalent of taking 2,583 cars off the road for a year.

[1] Share of voice is a measurement of advertising presence or brand strength for a product when compared to its competitors.

Non-residential – Integrated Design Building at University of Massachusetts

When the University of Massachusetts (UMass) decided to combine its Architecture + Design, Building and Construction Technology, Landscape Architecture, and Regional Planning departments into a new integrated design building, it presented a significant opportunity for wood use. Keen to make the building a showcase of sustainability, the heads of those departments requested that wood be considered in order to make a statement that the University is leading by example in fighting climate change with cutting-edge technology and renewable material.

However, wood buildings this size are still rare and steel and concrete had long been the default materials for UMass buildings. When the UMass Building Authority did not believe wood could be a cost-effective solution and were skeptical of its environmental benefits, WoodWorks became involved to alleviate performance concerns and support environmental benefits with a comparative life cycle assessment of the steel and wood designs. WoodWorks also analyzed comparative costing information to determine what was driving up the cost of the wood design so that a viable approach to a wood solution could be determined.

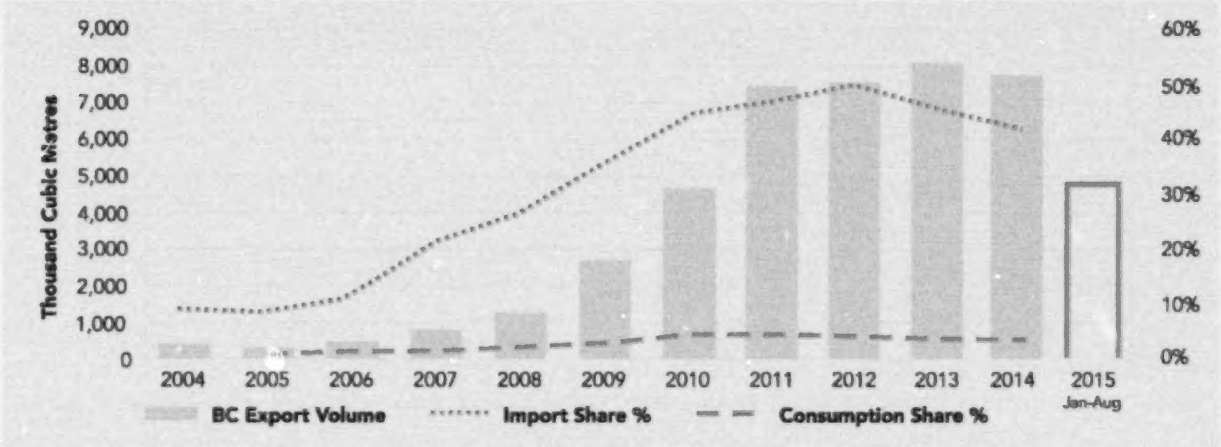


Value-added – International Builder's Show, Las Vegas

With construction activity growing in many regions across the US, eight member companies and the BC Wood Specialties Group reported a particularly successful International Builder's Show. More than 125,000 visitors attended, including buyers and suppliers in the residential and light commercial construction sector from across North America, Asia, and Europe. B.C. industry representatives were upbeat that the leads and contacts generated from the show will turn into solid sales opportunities.

CHINA

B.C. Softwood Lumber and Panel Exports to China



B.C. Position

- 41% of all commodity wood product (lumber and panels) imports by volume
- 43% of softwood lumber imports by volume
- 6% of wood panel imports by volume

Export Sales

- 2014: 7.7 million m^3 of commodity wood products valued at $1.4 billion
- 2015 (through August): 4.6 million m^3 valued at 895 million (this represents a 10% decrease in volume over the same period last year)

Market Overview

China is B.C.'s second largest market for wood products after the US and the province's largest market for wood in Asia. Driven largely by the demand for lumber in manufacturing and in industrial applications such as concrete forming, B.C.'s market for wood products in China has grown dramatically over the past decade. However, a number of factors, led by a slowing Chinese economy, have contributed to dampening growth in B.C's exports of lumber to China.

Beginning in 2014, China's GDP growth began to slow, with the annual rate falling to 7.3 per cent, its lowest rate in 24 years. As a result, in 2014, B.C.'s exports of lumber to China declined five per cent by volume, the first year-over-year reduction since the government's market development program began in 2003. Lower demand for lumber in China is driven by a number of factors linked to the slowing economy, including reduced activity in the construction sector, high inventories of lumber, falling prices (making existing inventories harder to move), tight credit, and an overall reduction in market confidence.

Construction activity in China is expected to pick up in 2016, with markets for lumber recovering as inventories work their way through the system and supply and demand conditions return to balance.

Production, Consumption and Imports

China's construction and furniture manufacturing sectors continued to drive consumption of wood products. In 2014, lumber production increased to 29 million m^3 (+8%), consumption to 46 million m^3 (+7%) and imports to 18 million m^3 (+4%). Wood panel production rose to 238 million m^3 (+8%), consumption to 222 million m^3 (+7%) and imports to just under 1 million m^3 (+4%).

B.C.'s Share of Lumber and Panels

At the end of 2014, B.C.'s lumber exports to China were down marginally to 7.7 million m^3 (-4%), as was B.C.'s share of lumber imports at 43% (-4%) and share of consumption at 17% (-2%). In 2014, China increased its imports of raw logs to 36 million m^3 (+8%), supplied mostly from New Zealand and Russia. The falling value of the ruble allowed Russia again to become China's largest softwood lumber supplier. B.C.'s supply of wood panels jumped significantly to 54,000 m^3 (+510%); however, China remains a net exporter of wood panels, selling 13.3 million m^3 of plywood 3.4 million m^3 of medium-density fibreboard (MDF) to the US, Japan and Europe.

Opportunities and Challenges

Despite the cyclical slowdown in the demand for lumber, recent changes to government policy in China have the potential to affect significantly the construction market in ways favourable to B.C.'s environmentally friendly, green building products. In particular, China's concern over greenhouse gas emissions, energy consumption and pollution are driving government to explore and advance green and energy efficient building practices, which opens the door for B.C. to promote the use of wood from sustainably managed forests. At the same time, competition is increasing, especially for low-value products where differentiation is a challenge. In applications where higher-grade, higher-value wood products are required, and where B.C.'s green credentials play a role, B.C. suppliers can find a comparative advantage.

Market Strategy

While B.C. has enjoyed unprecedented success in China, recent changes in market conditions – including aggressive competition from Russia and, increasingly, the EU – led FII and Canada Wood to refresh the approach to China in early 2015. Following an extensive review by government and industry partners, a new strategy for China was completed in May. This included substantial organizational changes within FII China and Canada Wood China to better align efforts and enhance the effectiveness of program delivery by fully integrating the two teams under the Canada Wood China umbrella.

Advancing wood use in construction remains the primary focus of the market development program, but the new strategy looks beyond light wood-frame construction into other structural uses for B.C. wood products including public buildings, commercial construction, tourism and resort construction, and the use of wood infill walls in concrete buildings.

The revised strategy now emphasizes a shift up the value chain – away from low-value products and toward growth in other high-value and high-potential applications, both in the construction sector and in China's manufacturing sector.

The new approach also recognizes the potential around the central government's focus on developing second and third-tier cities that, while modest in Chinese terms, are much larger than the biggest urban centres in Canada. These emerging regional markets offer substantial opportunities for a wide variety of B.C. wood products.

Across all market development activities, FII's government relations specialists support the China team's efforts by building and maintaining strong relationships with central and regional government authorities and with the major state-owned development companies. The continued attention to government relations ensures that the program priorities align with the Chinese government's stated goals on energy efficiency, green building benefits and reduction of greenhouse gas emissions.

Members of the B.C. forest sector delegation hold meet in Beijing with Vice Minister Wang Ming (fourth from right) and other officials of the national Ministry of Housing and Rural-Urban Development, October 2014.

Select Accomplishments

- The China team held 79 training sessions (e.g. workshops, lunch-and-learn sessions and seminars) that reached approximately 3,900 construction and building professionals. 97,500 industry professionals attended trade events where B.C. wood products were showcased.
- 80 per cent of participants who attended training programs reported that the sessions were worthwhile and that they increased their capacity to use wood products and systems.
- Site visits were completed to 245 projects to provide technical advice and quality assurance support to Chinese builders.
- B.C. wood products and building systems were featured in 121 articles and editorials in Chinese publications.
- The China team's vocational schools program intensified the relationship with existing partners and trained an additional 20 instructors in wood construction methods.
- A National Fire Code revision was completed with the China team's support in 2014/15 and implemented in May 2015.

Steve Thomson, Minister of Forests, Lands and Natural Resource Operations, and Zhou Lan, Minister of Housing and Urban-Rural Development for the province of Jiangsu, sign MOU on co-operation during an October 2014 visit to Nanjing.

Jiangsu MOU

In October 2014, Jiangsu Province signed an MOU with the province of B.C. to increase the use of wood in construction. The MOU enhances co-operation and communication between the two governments, and is an opportunity to apply wood construction in Jiangsu where there is growing interest in wood buildings to increase energy efficiency and reduce carbon emissions. The MOU covers wood construction research, exploration of suitable locations for wood building applications for Jiangsu Province, joint promotion of wood construction, and enhanced government and industry exchanges. The MOU is the latest advancement of a relationship dating back to 2008, when FII China and Canada Wood China first worked in Jiangsu Province, collaborating on a series of wood truss roof renovations in the Baixia District of Nanjing.

"The fact that China is moving toward greener building policies is a win for B.C.'s forest sector, since wood construction is more environmentally friendly, more energy efficient and leaves a smaller carbon footprint. Jiangsu is well positioned to succeed since two of their universities include wood construction in their curriculum."

Minister of Forests, Lands and Natural Resource Operations Steve Thomson

Steve Thomson (left), Minister of Forests, Lands and Natural Resource Operations, Wenhao Jin, FII China (second left) Ben Stewart, B.C. Special Representative in Asia (second right) and Don Kayne, CEO Canfor (right) address MOHURD officials during the October 2014 forest sector mission to Asia.

Wood receives official recognition as a modern, green building material

On September 1, 2015, the "Action Plan to Promote Green Building Materials Production and Building Applications (Action Plan)" circular (circular No. 2015-309) was jointly issued by China's Ministry of Industry and Information Technology and Ministry of Housing, Urban and Rural Development (MOHURD). The circular was distributed to all MOHURD departments at provincial and municipal levels and calls for the strict implementation and development of green building and green building materials according to the action items outlined in the Action Plan.

The inclusion of the development of wood structures in the circular marks a significant step in the development of relevant wood construction policies in China, a key goal of the joint FII and Canada Wood effort in China. The Action Plan represents the first time China's Ministry circular has included wood in its policy action plans, signifying to all relevant construction departments at the national level and below, the need to support the development of wood construction technologies.

Minister Teresa Wat, centre left, and Vice-Governor Huang (centre right) pose for an official photograph together with Sichuan officials and Michael Loseth, Chief Operating Officer & Interim CEO FII (back row centre), and Paul Irwin, Executive Director, East Asia for the Ministry of International Trade (back row third from left).Also attending was B.C. MLA John Yap (far right).

Minister Wat meets with Sichuan Vice-Governor

On June 26, 2015, FII and the B.C. Ministry of International Trade hosted a delegation from China's Sichuan province, led by Vice-Governor Huang Yanrong. Responsible for leading construction, education and tourism efforts in Sichuan, the Vice-Governor visited B.C. to explore the application of B.C. wood and low carbon wood construction technologies, and to discuss other opportunities for increased engagement between the two provinces.

Steve Thomson, Minister of Forests, Lands and Natural Resource Operations joins FII staff in meeting with Zhejiang MOHURD in August 2015.

Zhejiang Province

In August 2015, a delegation of senior officials from Zhejiang's Ministry of Housing and Urban-Rural Development (MOHURD) travelled to B.C. to increase their understanding of how wood-frame construction can assist the province to meet its objectives in the areas of building energy efficiency, building quality and safety, and affordable housing.

The visit follows on the signing of a formal MOU between Zhejiang's MOHURD and the B.C. Ministry of Forests, Lands and Natural Resource Operations conducted in 2014 by video conference – a first for this kind of agreement.

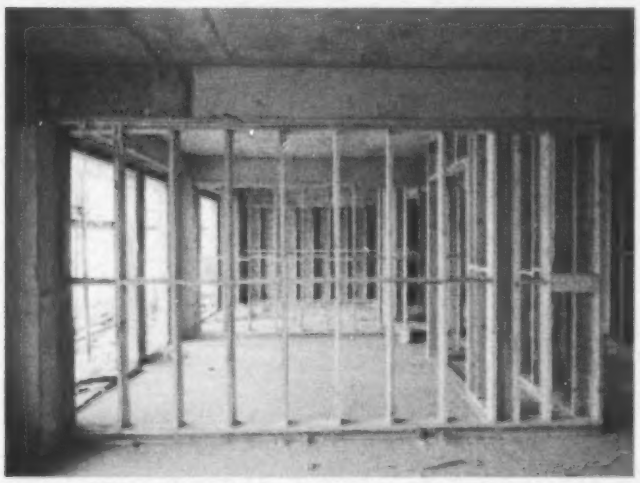
Artist rendering of the Yu Ling Long (Royal Crystal Garden) development site in Suzhou, Jiangsu Province, China.

Helping China "build green" with B.C. wood products

"Yu Ling Long" (Royal Crystal Garden) is a multiple building complex being constructed on commercial terms by Chinese developer Crown Homes. The project, located in Suzhou (Jiangsu Province) at Tai Lake, a well-known tourist attraction, includes 18 wood-frame three-storey villas (12,278 m²) and three hybrid seven-storey mid-rise apartments (10,171 m²). The multi-storey residential buildings are concrete post and beam structures that incorporate interior non-load bearing wood partition walls and exterior wood infill walls. The project is providing an opportunity to develop and test technical solutions for non-load bearing wood walls as replacements for the heavy concrete block wall system typical used in Chinese buildings. The wood used in the project comes from B.C.

As one of China's newest "green building" projects, the Yu Ling Long development not only incorporates wood from B.C.'s sustainably managed forests, but also heated floors, air-conditioning, fresh air purification, and water processing and recycling systems.

Canada Wood (FII China and Canada Wood China), under a co-operation agreement with Crown Homes, is providing technical support for the project in areas of design, building code application, construction quality, and training and joint promotion on the wood infill wall applications.



Yu Ling Long infill wall project construction showing interior partition walls and exterior infill walls in the background.

Architect's rendering of the Yu Ling Long infill wall project and actual wood construction on-site.

Phase 1 homes made of manufactured logs (3 ply 2x6 SPF).

Wood construction prospers in the tourism real estate sector

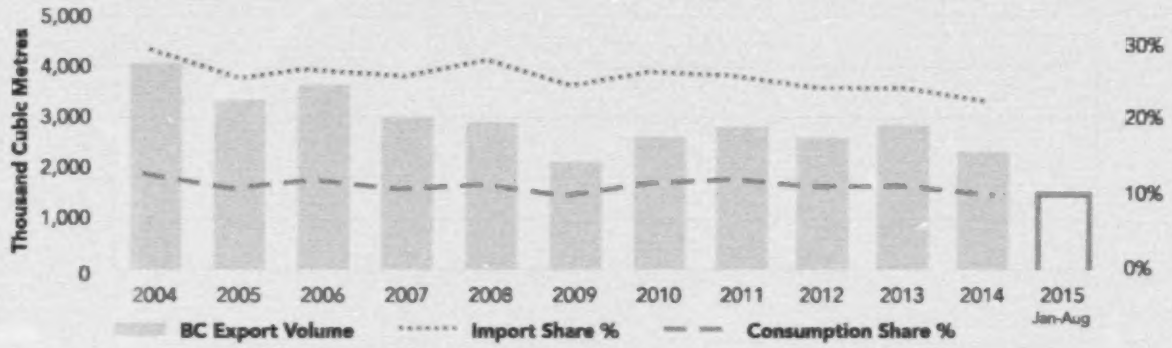
Tourism development continues to be a growing construction sector in China. It is also a natural fit for wood. New tourism construction frequently caters to the demand for urban escapes, in the mountains, near lakes or close to beaches. Wood designs pair well with nature, and urban escapes typically include low-density buildings. A recent example of a large tourism project is located near Heyuan Mountain in Guangdong province. Phase 1 featured 160 small homes made from manufactured logs produced with three plies of 2x6 Canadian spruce-pine-fir (SPF). Phase 1 sales were brisk, inspiring confidence in Phase 2 and another 418 units. These homes are permitted, legal and considered permanent structures.

Phase 1 homes in the Heyun Mountain resort project featuring manufactured logs (3 ply 2x6 SPF).

Heyun Mountain resort, Guangdong province.

JAPAN

B.C. Softwood Lumber and Panel Exports to Japan



B.C. Position

- 22% of all commodity wood product (lumber and panels) imports by volume
- 36% of softwood lumber imports by volume
- 4% of wood panel imports by volume

Export Sales

- 2014: 2.3 million m³ of commodity wood products valued at $788 million
- 2015 (through August): 1.5 million m³ valued at $504 million (this represents a 4% decrease in volume and 4% decrease in value over the same period last year)

Market Overview

Japan is B.C.'s third largest market for wood products and second overall in Asia. The Japanese market is driven by a preference for higher quality products, which generates higher prices for B.C. exporters. B.C. has a long-standing presence in Japan and is widely recognized as a leading supplier of quality wood products from sustainably managed forests.

Japan's economy has been stagnant over the last decade, with the GDP growth rate dropping as low as -5.5%. In 2014, the country's GDP grew at just under 2.0%. Through monetary reforms, the Japanese government was successful in raising inflation to 2.7% and reducing unemployment to a seven-year low at 3.6%. Rising consumption taxes reduced the number of residential starts and the deflated yen made B.C. products more expensive than those from, for example, the European marketplace.

Japan's wood supply has been increasing over the past several years and the government has been placing greater importance on promoting the domestic sawmilling industry. This, combined with a declining yen, is creating a more dynamic picture of supply in the country and changing the competitive positions of importers. In 2014, all importing nations, including Canada, saw declines in volumes shipped to Japan.

Production, Consumption and Imports

Housing construction continues to drive demand for wood in Japan. Although 55% of all homes built in the last six years were made of wood, the total number of starts fell in 2014 to 892,261 (-9%). Lumber production in Japan decreased to 10 million m³ (-4%), consumption decreased to 16 million m³ (-10%) and imports decreased to 6 million m³ (-17%). Wood panel consumption decreased to 8 million m³ (-2%), production increased by to 4.3 million m³ (+1%) and imports dropped to 4.5 million m³ (-4%).

B.C.'s Share of Lumber and Panels

Trending with the decrease in total lumber imports, B.C. producers supplied only 2.3 million m^3 to Japan (-18%), while B.C.'s share of lumber imports remained roughly the same at 36%. The province's share of consumption dropped to 14% (-1%). B.C. exported roughly 1 million m^3 of panels (-4.6%), and represented a 4% share of Japan's panel imports and a 2% share in panel consumption. The overall demand for value-added products increased as Japan imported $4.6 billion of goods, although B.C.'s share shrunk to $9 million (-10%).

Opportunities and Challenges

Aside from fluctuations in exchange rates, challenges moving forward include a shift in demographic preferences toward multi-family housing and newly revised Japanese Agricultural Standards, which will allow the use of domestic lumber for 2x4 studs. Opportunities may exist around the Trans Pacific Partnership, which should eliminate tariffs on SPF and panels, which cost Canadian shippers $31 million in 2014.

Market Strategy

In an effort to expand wood use in multi-family residential, mid-rise, non-residential, public and institutional construction, the market development strategy for Japan includes working to relax height and size limitations for wood in these applications. Because the Japanese government continues to encourage greater wood use in public buildings, educational facilities, recreational and commercial construction, the strategy also includes leveraging collective experience, sharing new technology and profiling projects to encourage wood consumption to the benefit of B.C. and other Canadian suppliers.

Recognizing a demographic shift in Japan and the added focus on multi-family residential, mid-rise, non-residential, public and institutional construction, Canada Wood Japan is engaging a new generation of importers and builders with comprehensive seminars, delivered in several key geographic locations. At the same time, Canada Wood is leading an ambitious fire test program to commercialize large-scale and mid-rise wooden structures from five to 14 storeys. During the year, Canada Wood also worked to capitalize on the recently completed demonstration projects in the Tohoku region with the goal of further penetrating the large-scale public structures segment.

Under the strategy, the Coast Forest Products Association is continuing to explore opportunities for Canada Tsuga in non-traditional market segments of potential, such as post and beam hybrid structures, and non-residential buildings (heavy timbers, glulam, etc.). Technological advancements in Canada and previous work done in Japan support these activities.

The approach in Japan also recognizes that the market for remodelling and renovating existing structures is gaining momentum as cultural preferences shift over time, opening new opportunities for the millwork, cabinetry and furniture sectors. Japan represents good niche opportunities for B.C.'s value-added sector. Where a strong business case exists, the strategy supports market development activities that position B.C.'s unique value-added products.

The 2020 Olympic Summer Games in Tokyo presents opportunities to raise awareness of the use of wood in venue construction similar to the 2010 Winter Games in Vancouver and Whistler. Industry will be engaging on a variety of fronts to identify opportunities around Olympic construction projects.

Continued efforts to monitor government policies and domestic programs, and raise concerns in a timely and coordinated fashion, remain important to maintaining B.C.'s position in Japan.

Steve Thomson, Minister of Forests, Lands and Natural Resource Operations (seated at right centre) and members of the B.C. forest sector delegation meet with Japanese trade media at the Embassy of Canada in Japan, October, 2014.

Select Accomplishments

- Trade events in Japan continued to attract attention to B.C. products with over 400,000 industry professionals visiting tradeshow promotions to learn more about using Canadian species.
- 1,960 Japanese designers, architects and construction professionals received training in 40 sessions held across the country.
- Over $18 million in new sales leads were directly attributed by the value-added industry to participation in Japanese trade events.
- The use of Canadian OSB in structural panel shear walls continues to expand, which has led to 75% market share of all Japanese OSB imports.
- With another 275 quasi-fireproof starts recorded in 14/15, 2x4 platform frame construction continued to make inroads into the non-residential market, particularly elderly care facilities.

Teresa Wat, Minister of International Trade (centre), Shannon Baskerville, Deputy Minister of International Trade (left), and Jim Ivanov, BC Wood Japan at the Japan Home and Building Show.

Japan Home and Building Show

More than 40,000 industry visitors had the opportunity to learn about B.C.'s innovative wood products and building systems at the Japan Home and Building Show in Tokyo. The show attracted buyers from around the world and provided the perfect opportunity to highlight B.C.'s quality softwood lumber and high quality specialty products.

During her 2014 Asia trade mission, Minister Wat visited the Canada Wood Pavilion at the event to show support for B.C. wood products and meet with the vendors. The BC Wood Specialties Group organized the pavilion on behalf of the Canada Wood partners. As B.C.'s third largest export market, Japan continues to be one of the most important export destinations for the province.

Japanese media attend a roundtable conference with Steve Thomson, Minister of Forests, Lands and Natural Resource Operations and members of the B.C. forest sector delegation, October 2014.

B.C. Trade and Investment Representative Avrom Salsberg (second from left), Canada Wood President Rick Jeffery (third from left), Canada's Ambassador to Japan Mackenzie Clugston (centre) and Shawn Lawlor (far right) were on hand along with local dignitaries to participate.

Minister Thomson (centre); Rick Jeffery, Canada Wood; and Glenn Mason, Natural Resources Canada (far right) present plaque to Iwaki City Officials symbolizing donation of the Jericho reconstruction project.

Canada Wood and partners celebrate the opening of the Jericho Centre Project

On February 12, 2014, Canada Wood celebrated the opening of the Jericho Support Centre in Iwaki City, Fukushima Prefecture. The fourth building completed under the $4.6 million Canada-Tohoku Reconstruction project, the multipurpose centre provides rehabilitation and training services for disabled people who were displaced by the great eastern Japan earthquake and tsunami. The opening events received extensive television and newspaper media coverage.

The Jericho Centre is a 473 m², single-storey, hybrid post and beam structure. The building was constructed with Canadian wood products including certified Canadian Hem-Fir (N) (Canada Tsuga) timbers, SPF dimension lumber, OSB sheeting, western cedar decking, maple flooring and others.

The now completed Canada-Tohoku wooden legacy structures are serving the needs of multiple communities in the tsunami-affected regions and will endure as a symbol of friendship between Canada and Japan.

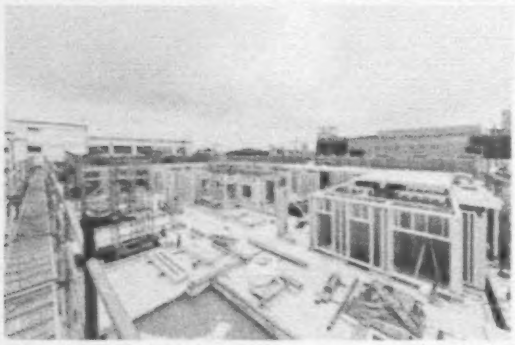
Left to right: Francois Saillant, NRCan, Shawn Lawlor, Canada Wood, Kevin Minegishi, President of Interex Japan and Bob Jones of NRCan.

Largest-ever Japanese wood building now under construction

Wood building technology developed in B.C. is key to the design of a new elderly care facility now under construction in Japan. The Hanahata Asukaen Midply Site, a five-storey platform frame midply project, will be the largest wood building in the country. The project was the result of a design competition, eventually won by Mitsui Home Company, due to the unique Midply Wall System developed by FPInnovations and UBC.

The wall system provides added strength over normal construction techniques and is particularly suitable to areas prone to earthquakes, like Japan (under testing, the system was able to withstand a 1-in-2,500 year seismic event). The project follows several years of work by Canada Wood to share technical data with government officials on midply wall systems and to conduct tests, revise building codes, and raise awareness of the system with architects, engineers, and builders. Canada Wood Japan and the B.C. Council of Forest Industries (COFI) collaborated in these efforts.

The elderly care facility is scheduled to be completed in the summer of 2016 and will have 9,023 m2 of floor space over five-storeys. The project is providing an opportunity for B.C. firms to supply the 30 containers of wood products needed to for construction.



Hanahata Asukaen midply project under construction.

Artist's rendering of the Hanahata Asukaen project.

B.C. Minister Steve Thomson (centre), Ken McKeen (left) former COFI VP, and James Gorman, then COFI President and CEO attend Canada Wood/COFI (right) celebration event in Tokyo, Japan.

B.C. lumber industry celebrates 40 years in Japan

Delegates from B.C.'s 2014 forest sector trade mission to Asia helped celebrate the 40th anniversary of Canada Wood and COFI establishing a presence in Japan.

The COFI and Canada Wood Japan office was established in January, 1974 with a Canadian architect, Japanese architect, Japanese engineer and Canadian lumber grader, to work more closely with Japanese government codes and standards officials. The first demonstration project, "COFI House" built on the grounds of the Canadian embassy, led to the approval of a Japanese 2x4 platform frame construction building code and lumber grading standards, which formed the basis for developing a new market in Japan.

In 2003, the COFI Tokyo Japan office joined with other organizations under the umbrella of Canada Wood Japan. The organization continued with its successes by having codes and standards adopted to recognize the use of wood in larger commercial and institutional buildings, such as schools and elderly care facilities.

A 40th anniversary reception was hosted by Canada's ambassador to Japan, Mackenzie Clugston. Joining Canadian industry and government representatives at the reception were the Japanese architects, builders and customers who have made Canada the preferred source for high quality, sustainably harvested forest products for use in the Japanese construction industry.

The Flower Search Oobu elderly care facility in Aichi Prefecture, Oobu City, Japan was completed in May 2015. It is a 3,900 m² three-story fireproof structure built with SPF dimension lumber.

2x4 fireproof structures in Japan

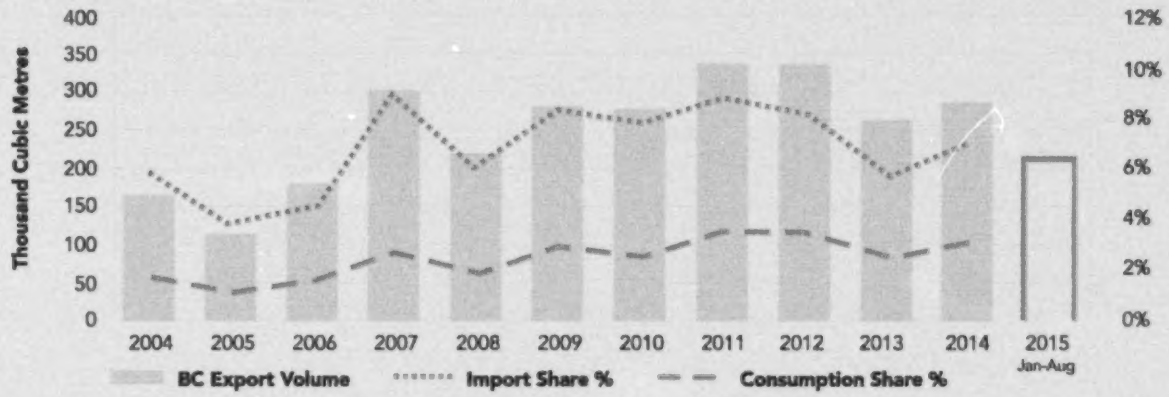
The Japan 2x4 Home Builder Association reported another strong year for fireproof building approvals with 275 applications being processed for a combined total floor area of 88,240 m² for the fiscal year 2014. Since COFI and the Japan 2x4 Home Builder Association received a platform frame fireproof ministerial approval in 2004 from Japan's Ministry of Land, Infrastructure, Transport and Tourism (MLIT), 2,581 applications have been processed for a combined total building floor area of 650,136 m² worth of fireproof buildings. In terms of combined project total floor area by market segment since securing the ministerial approval, the non-residential market was first (230,636 m²), followed by detached single-family homes (227,981 m²) and by the multi-family market segment (191,519 m²).

For fiscal 2014, the non-residential market segment had 21 project approvals processed for a total combined floor area of 43,797 m² for the period. This market segment now represents about half of the fireproof approvals in Japan in terms of total building floor area. The buildings include elderly care facilities (17 projects), a medical facility (1 project) and commercial buildings (3 projects).

Since acquiring a Japanese ministerial approval for 2x4 fireproof structures 11 years ago, 120 fireproof elderly care projects have been built in Japan. And with Japan's society continuing to age, the elder care segment will remain strong.

SOUTH KOREA

B.C. Softwood Lumber and Panel Exports to South Korea



B.C. Position

- 7% of all commodity wood product (lumber and panels) imports by volume
- 14% of softwood lumber imports by volume
- 1.4% of wood panel imports by volume

Export Sales

- 2014: 285,620 m^3 of commodity wood products valued at $74 million
- 2015 (through August): 234,635 m^3 valued at $61 million (this represents a 8% increase in volume and an 10% increase in value over the same period last year).

Market Overview

South Korea is B.C.'s fifth largest market for wood products and fourth largest market in Asia. The market for wood in South Korea is driven by a strong residential housing sector and demand for niche value-added products.

South Korea's economy has grown at an average rate of 3.7% over the last decade. The economy expanded by 3.3% last year and the government has launched a series of stimulus packages to encourage faster growth going forward; however, anticipating another slow year, the government reduced the growth target for 2015 from 3.8 to 3.1%.

Production, Consumption and Imports

Government policies aimed at energizing the housing market included lower taxes and lower mortgage rates, which resulted in 515,251 housing starts (+17%) in 2014. As a result, the number of wood homes grew by 11,493 units (+11). Lumber production in South Korea rose to 4.2 million m^3 (+13%), production to 2.5 million m^3 (+9%) and imports to 1.8 million m^3 (+17%). Wood panel consumption also rose to 5.7 million m^3 (+11%), production to 3.4 million m^3 (+15%) and imports to 2.4 million m^3 (+6%).

B.C.'s Share of Lumber and Panels

Following increased housing starts, softwood lumber imports to South Korea rose by 17%; however, the EU28, Chile and Russia were the top three suppliers. B.C. supplied 285,620 m^3 of lumber, the majority of which was SPF. The province's share of lumber imports rose to 14% (+3%) and the share of lumber consumption rose to 6% (+1.5%). B.C. exported 33,000 m^3 of wood panels (+41%), and represented a 1.4% share of imports and 0.6% of consumption.

Opportunities and Challenges

In March 2014, Canada and South Korea concluded a bilateral Free Trade Agreement, leading to the eventual elimination of tariffs on wood products, something that will increase the competitive position of B.C.'s exports of softwood lumber and specialty products.

South Korea's proposal to reduce greenhouse gas emission has created a large market for renewable energy. As a result, imports of wood pellets have increased from $18 million (2012) to $358 million in 2014. Canada was South Korea's second largest supplier of pellets. Korea's imports of value-added products also increased in 2014 to a record high $1.2 billion (+30%). Far behind the leading suppliers, sales of B.C.'s value-added products managed to grow by 22% to $685,000.

Several other opportunities may grow the demand for wood in South Korea in the future. For example, the number of housing developments outside of urban centres has grown substantially in recent years. Under the right circumstances, wood homes could capture 30-50% of the single-family market in the long term.

Market Strategy

The market development strategy for South Korea continues to focus on the wood-frame construction (WFC) sector. Long-term plans are for Korea to increase the share of single-family/low-rise multi-family starts to 50% of total residential starts between now and 2020. South Korea's highly educated population is seeking healthier living environments and alternatives to traditional rental agreements, which also supports the trend to increased use of wood in residential construction.

Efforts to expand the use of wood in high-value structural and non-structural applications, improve WFC building and design quality, and increase adoption of wood infill walls are key priority areas for the program in Korea. This includes promoting "showcase" buildings – high-profile public or accessible private buildings like clubhouses and recreation facilities – that will increase the profile of wood as a building material and highlight the potential for Canadian wood products. Training programs anchor these efforts and more content will be delivered by local organizations as the construction industry in South Korea becomes more familiar in working with wood.

Participants in Canada Wood's Advanced Technology Construction Training program visit a six-storey building under construction in B.C.

The strategy continues to promote energy efficiency advantages as well as influence Korean government policies to align with those advantages. These efforts are being undertaken in tandem with code development activities focused on multi-storey, multi-family building applications. With South Korea's ambition to achieve Net-Zero standards in residential buildings by 2025, there is a significant opportunity to present energy efficient and environmentally friendly WFC solutions to Korean designers and builders.

As per capita incomes continue to increase in Korea, and more attention is paid to higher quality homes and finishing, opportunities may increase for B.C. value-added products and the strategy supports efforts to increase B.C.'s market share in this segment.

Select Accomplishments

- Eight training sessions, attended by 689 architects, builders, students and design professionals were held to provide hands-on experience in designing and working with B.C. species in a variety of applications. Training remains a priority for the market development program led by Canada Wood.
- Product and related building promotions reached more than 45,000 individuals in the target audiences of trade, professions, and consumers.
- Industry reported $4.2 million in sales leads for value-added products following tradeshows and other promotions.
- Successful accreditation of wood-frame wall and floor assemblies for fire safety and sound insulation secured market access to low-rise wood-frame buildings up to four-stories high until 2017.

Minister of International Trade Teresa Wat addresses participants and speakers at the plenary session of the BC-Korea Trade and Investment Forum.

FII Chief Operating Officer & Interim CEO Michael Loseth introduces Minister Steve Thomson (second from left) and other speakers at the BC-Korea Trade and Investment Forum.

BC-Korea Trade and Investment Forum

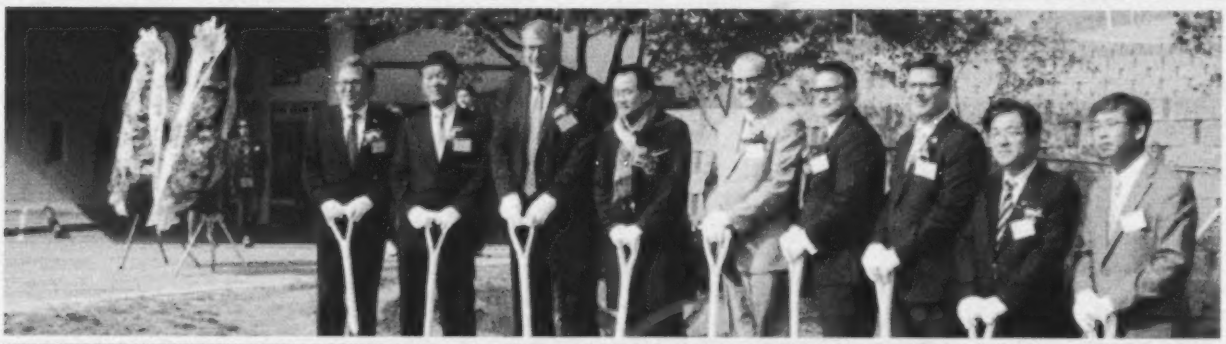
On June 24, 2015, the Province of B.C. and the Government of South Korea co-sponsored the BC-Korea Trade & Investment Forum. The Forum was an opportunity for Canadian and Korean government and business representatives to explore opportunities to strengthen trade and investment.

The event followed ratification of the Canada-Korea Free Trade Agreement in January, and showed commitment on both sides to achieve new levels of co-operation. The Forum included several dialogue sessions, including one focused on forest products co-sponsored by FII and the B.C. Ministry of International Trade. Moderated by Steve Thomson, Minister of Forests, Lands and Natural Resource Operations, the forest sector session explored the elimination of tariffs on lumber and value-added products, as well as the high demand in Korea for environmentally friendly wood products. Industry experts spoke to challenges surrounding the Agreement, including the five to 10-year time span required to eliminate tariffs on value-added products.

B.C. forest sector delegation visits South Korea

Wood-frame construction took centre stage during the annual forest sector trade mission to Asia last October where the GICO Community Centre was officially opened by Steve Thomson, Minister of Forests, Lands and Natural Resource Operations and members of his delegation.

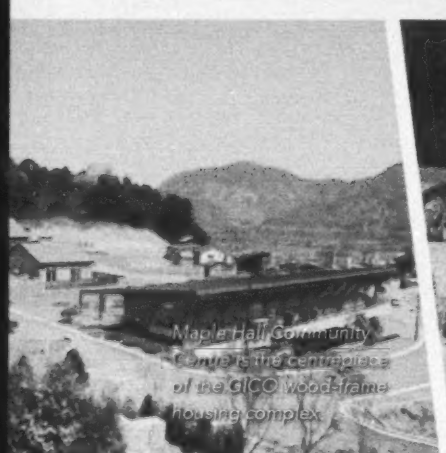
Gyeonggi Urban Innovation Corporation (GICO) is a provincial public corporation that manages land, housing and new city developments for Gyeonggi province and is the second-largest such corporation in South Korea. Its new community centre, Canadian Maple Hall, is the centrepiece in a 141-unit wood-frame housing complex in Daljeon-Ri, a community 65 kilometres east of Seoul. The project, the largest wood-frame housing development in Korea, has since been re-named "Canada Village" to show appreciation for Canadian support for the project. With the completion of Phase 1 in May 2016, Canada Village will demonstrate to Korean political and business leaders the many benefits of building with wood, including sustainability, environmentally friendly building practices and energy efficiency.



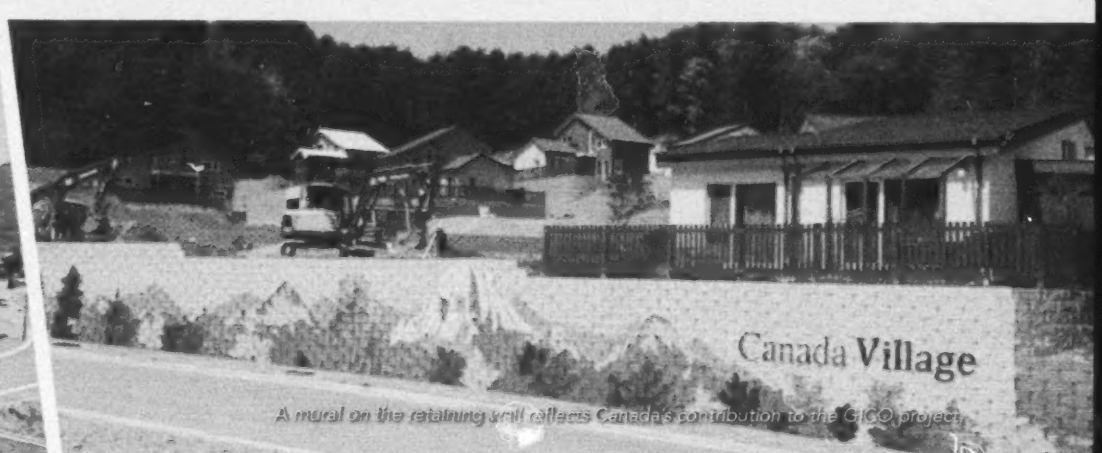
Ben Stewart, B.C. Special Representative in Asia (far left); Steve Thomson, B.C. Minister of Forest, Lands and Natural Resource Operations (third from left) join representatives from Canada Wood, Natural Resources Canada and the Canadian Embassy at a ground breaking ceremony for the Canadian Maple Hall project.

Construction of the project is underway in this May 2014 photo.

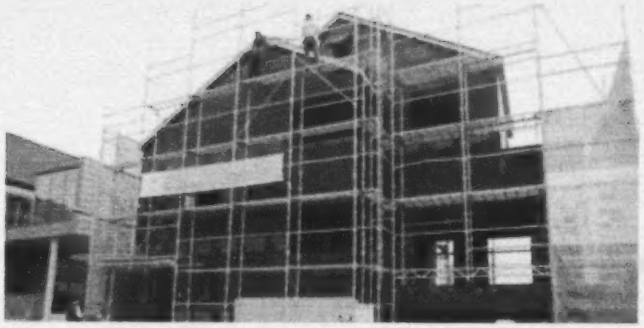
The majority of single-family homes and duplexes have been pre-sold.



Maple Hall Community Centre is the centrepiece of the GICO wood-frame housing complex.



A mural on the retaining wall reflects Canada's contribution to the GICO project.



100th 5 Star house near Seoul.

Media representatives attended the event and toured the house.

Framing inspection underway at the 5-Star house.

KWCA marks 100th 5 Star Construction Quality Certification application

On August 3, 2015, the Korea Wood Construction Association (KWCA) marked the 100th application for 5 Star accreditation, a voluntary wood construction quality certification program established in 2009 with support from Canada Wood. The ceremony took place at the site of a wood-frame single-family house near Seoul designed by Hangil Architects and being built by Korean builder Homento. Canada Wood Korea's Country Director Tai Jeong attended the ceremony and conducted a framing inspection jointly with KWCA officials as well as members of its architect and technical committees.

Eighteen 5 Star applications have been registered so far this year and nine projects are in certification process, bringing the total number of applications to 104. Certified projects will be featured in consumer magazines and trade newspapers across the year and participating members are being provided with updated 5 Star quality manuals, checklists and pre-inspection training sessions delivered by KWCA.

Most lectures were conducted at the British Columbia Institute of Technology's downtown Vancouver campus. Other lectures were conducted at FPInnovations.

Interest in wood construction training reaches 10-year high

Thirty-eight builders, designers, engineers, material manufactures, distributors and students participated the 2015 Advanced Technology Construction Training program delivered by Canada Wood Korea and COFI from February 4-13, 2015. The extensive training program, conducted in Canada, focuses on the transfer of technology and best practices needed for design and construction of more complex and large wood-frame structures such as multistorey multi-family housing and high performance homes. Participants came from all over Korea showing the strong and growing interest by design and construction professionals in wood as a building material, wood construction applications, high performance houses and advanced topics in construction.

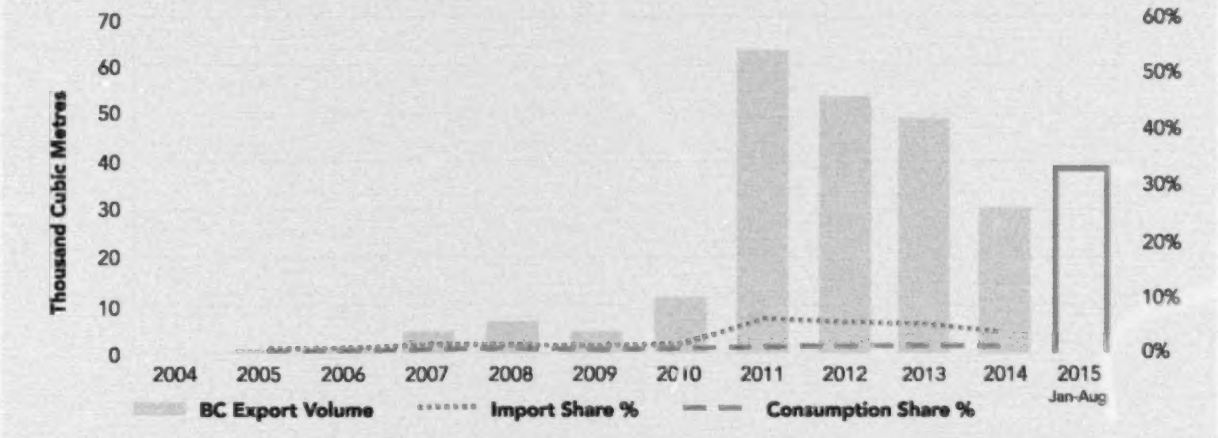
Partners in program delivery this year included the Canadian Wood Council – BC WoodWorks, FPInnovations, the Township of Langley, Super E builders, Net-Zero Energy House Architect, Perkins + Will, Maple Leaf Housing, BCIT, UBC, Gauvin 2000 Construction, and other builders and developers.

Group photograph taken on the flying stairs during a tour of the Earth Sciences Building at UBC.

Tour of School of Construction at BCIT.

INDIA

B.C. Softwood Lumber and Panel Exports to India



B.C. Position

- 4% of all commodity wood product (lumber and panels) imports by volume
- 11% of softwood lumber imports by volume

Export Sales

- 2014: 30,510 m³ of commodity wood products valued at $7.8 million
- 2015 (through August): 38,401 m³ valued at $9 million (this represents a 196% increase in volume and a 151% increase in value over the same period last year)

Market Overview

India is an emerging market for softwood products and some B.C. species have only been certified for entry over the last few years; however, market conditions in India have become more favourable to softwood products over the past two years and there is a now a growing opportunity for B.C.'s species in value-added applications such as doors, windows, architectural millwork and furniture.

India's economy continued to perform well in 2014 with GDP growth at 7.4% up from 6.9% in 2013. Inflation dropped to 6% during the year. Growth in the economy is expected to continue as the markets and India put their faith in Prime Minister Narendra Modi who was elected in 2014 on a platform of government reform and economic development. In September 2014, the India government launched the "Make in India" initiative to attract foreign companies to establish manufacturing operations in the country.

Production, Consumption and Imports

India's consumption of softwood lumber rose to 1.2 million m³ (+14%), production to 1 million m³ (+18%) and imports reached a new record of 280,169 m³ (+1%) in 2014. Wood panel consumption dropped to 4.2 million m³ (-2%), production stayed flat at 3.9 million m³ (+0%) and imports decreased to 560,584 m³ (-11%). While MDF imports remained unchanged at about 244,000 m³, imports of plywood and particleboard have fallen by 50% in just three years to 195,000 m³ and 141,000 m³ respectively.

Due to log export bans in Myanmar and trade restrictions in other nearby suppliers, Indian producers are having a difficult time in securing hardwood logs. As of 2014, the supply deficit was estimated at 17 million m³ per year. Coupled with the low plantation quality within India, this supply shortage has convinced producers to try new species, including softwoods, resulting in the share of softwood imports rising to 33% (+4%) of total wood imports in 2014.

B.C.'s Share of Lumber and Panels

Shipments of lumber from B.C. fell to 30,439 m^3 (-37%) while B.C.'s share of imports dropped to 11% (-6%), and share of consumption dropped to 2.4% (-1.9%); however, year-to-date data for B.C. indicates a rebound in shipments of lumber through the first half of 2015.

Opportunities and Challenges

Research into the India market undertaken by FII points to high rates of economic growth, rapid urbanization, an expanding middle class and a leaning toward "westernization" of fashion and décor – factors offering significant potential for B.C. wood. This, combined with India's increasing consumption of wood products and its existing fibre deficit, points to a growing opportunity for Canadian products to enter the market.

Also pointing to opportunity for B.C. and other Canadian producers is the trend in India to importing a greater share of lumber versus logs (lumber imports were up over 300% in 2014) and the increasing openness to softwoods in a market that has traditionally favoured hardwoods. While softwoods represented only about one-quarter of India's wood imports in 2014, Myanmar's recent ban on exports of teak logs has increased the share of softwoods to roughly one-third of India's current total imports.

There is a growing interest to produce doors, doorframes, windows, architectural millwork and furniture with softwoods. This presents new opportunities, particularly for B.C. coastal species such as hemlock, western red cedar, yellow cedar and Douglas fir. Further, positive long-term construction trends (an almost 50% increase in building supply will be needed by 2030) should lead to the development of a robust market for interior products and finishing materials.

Market Strategy

The market development strategy for India has been based on India's growth story. The positive demographic dividend, a country with a large consumption appetite, and global changes in fibre supply are combining in India to create a rising demand for wood in the market.

India has followed on its path to growth fuelled by government actions to achieve growth targets sooner than anticipated. The rapid opening of a market for softwood products in India presents a unique opportunity to position B.C. as a reliable supplier of fibre from sustainable sources. This, combined with India's growing consumption of wood products, reinforces the need for a strong push for Canadian products in the market.

In 2015, FII India continued research activities to refine focus areas and stay abreast of the country's dynamic supply-demand scenario, particularly the increasing appetite for lumber over logs, and the growing willingness by manufacturers to consider softwoods for their products.

To help grow the demand for Canadian species, FII India is working to create momentum by encouraging product trials using B.C. wood species. These trials have shown great potential as a vehicle to encourage local manufacturers to try Canadian wood in their manufacturing and have directly resulted in commercial sales leads and product sourcing from Canada.

With a technical adviser from the Coast Forest Products Association now onboard with FII in India, education seminars and workshops are creating additional momentum by targeting groups of importers, builders, developers and manufacturers, as well as the architects and designer communities.

A Canadian delegation visits Sahibzada Timber and Ply Ltd. (Punjab) during the 2015 mission to India.

B.C. Minister Amrit Virk and Deputy Minister Sandra Carroll tour FII India display.

Under the market development strategy, participation at industry trade shows and seminars is ongoing to enhance promotion efforts for "Canadian Wood". In particular, FII continues to support Canadian suppliers at a number of Indian trade shows by delivering programs designed to enhance participants' knowledge of the Indian market and the manufacturing community. Branding and promotional activities associated with these efforts include distributing species factsheets and guides, as well as ongoing maintenance of the newly launched www.canadianwood.in website.

Concurrent with market development activities, program partners continue to focus on addressing phytosanitary rules and import regulations as a number of tariff and non-tariff barriers to full and open market access remain.

Select Accomplishments

- Canada Wood established a permanent market presence by hiring the Coast Forest Products Association's in-market representative and co-locating the position at FII's office in Mumbai.
- Six educational seminars across India delivered focused product information to over 200 importers, architects, builders, designers and manufacturers of wood products.
- FII established two internal distribution centres – one in Delhi and one in Mumbai – to hold inventory of B.C. species to service product trials in northern, southern and western India. While volumes remain modest, FII found it impossible to efficiently undertake product trials relying on commercial suppliers in the market as the range of species, sizes and grades were not regularly available.
- Three product trials by Indian door and furniture manufacturers were completed and another eight product trails are in progress across the country.
- Marketing and outreach efforts included distributing technical information kits (product samples, technical literature and promotional materials), the launch of a new website, and securing 18 advertisements and media articles in key outlets.

Interactive state of the art Canadian Display Centre at the FII India Office, Mumbai.

Inauguration of FII display centre

FII completed and inaugurated an exclusive first-of-its-kind display centre in Mumbai. The 1,300 square foot space highlights how to build with wood from sustainable and certified forests. The area attracts architects, real estate developers, interior designers and solid wood manufacturers. Events are being held on-site, creating opportunities to engage with Indian stakeholders.

Delegates visited as a workers assembled wooden furniture at Ekbote Furniture (Pune) during the 2015 trade mission to India.

B.C. mission participants tour an Indian manufacturing site in February, 2015.

Delhiwood 2015 and industry trade mission

BC Wood Specialties Group collaborated with FII and the Canadian High Commission in Delhi to coordinate Canada's largest-ever participation in the DelhiWood trade show in February 2015. 26 participants from 17 companies and three trade associations represented industry. The show is one of the country's most significant wood products showcase opportunities, attracting roughly 12,000 visitors and featuring 400 exhibitors from over 20 countries. BC Wood reports that participating companies were able to generate substantial sales leads during the event.

The B.C. delegation also took part in an extended program of site visits to door and furniture manufacturers and importers in four cities across India. These activities resulted in new relationships directly with Indian consumers and businesses.

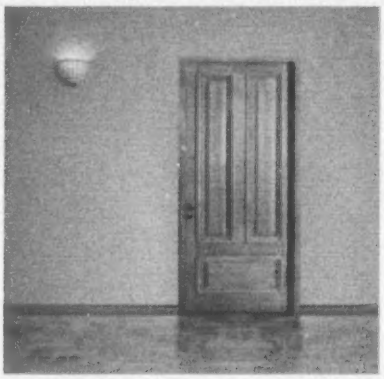
Interest in product trials grows

Product trials are emerging as a highly successful means to engage with and motivate Indian manufacturers. The goal of these trials is to convert existing or new production to use B.C. species. FII India has developed and is promoting its "Try Canadian Wood Program", which is providing qualified Indian manufacturers with small volumes of B.C. wood as well as technical support for inclusion in new or existing product lines. Several trials were completed over the past year with established manufacturers of windows, doors and furniture.

Segment-focused product trials with established furniture manufacturers led to direct imports of B.C. lumber. Over 12 such product trials took place in 2014/15.

Ekbote Furniture (Pur.e), one of the largest solid wood furniture manufacturers in Western India, is pursuing the use of hemlock for solid wood furniture (Bottom). A bedroom set made from B.C. softwood by MAS Furniture (Mysore) (Top).

Furniture manufactured from Canadian wood to meet Indian aesthetics.



Artius (Delhi) has developed and is now marketing a luxury door line in India using B.C. yellow cedar.

Brian Leslie, FII Technical Advisor, spoke at various trade shows and seminars during 2014/15, including the Green Global Summit in Mumbai (top image) and the the Ghandhidham and Kandla Timber Merchant's Trade Show in Kandla, India (lower image).

Education and outreach help expand the market for Canadian lumber

To create brand recognition, FII India – considered a centre of knowledge regarding softwood species – has delivered several seminars to Indian audiences. International manufacturers, including Ikea, have invited FII staff to present the benefits of using Canadian lumber from certified and sustainable forests. FII India staff delivered more than six seminars covering species, sustainability and technicalities of building with wood.

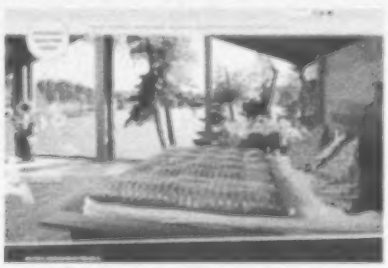
FII India staff also gave seminars at trade shows across the country, targeting groups at the Green Building Congress, Acetech Global Green Summit, Festival of Design & Architecture (foAID) and DelhiWood.

Officially launched in 2014, the Indian-focused Canadian Wood website highlights wood products from B.C.

Strong communications, promotion and outreach strategy brings Canada to the forefront

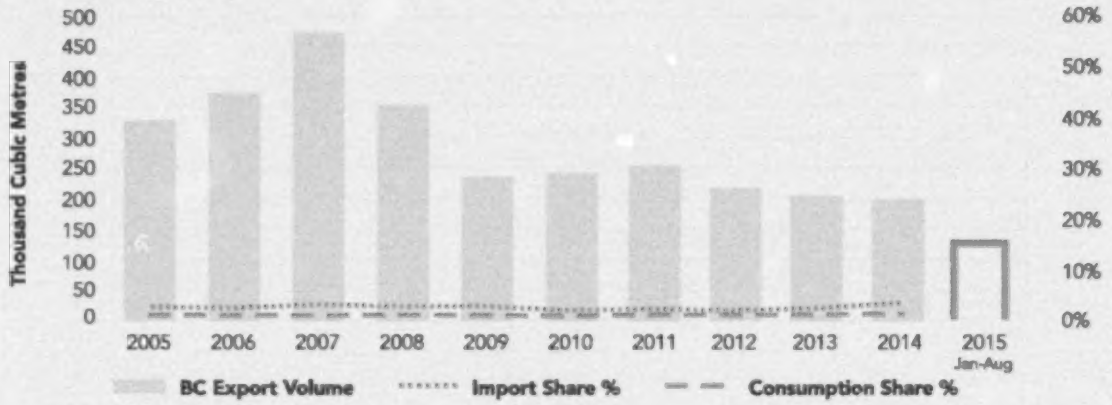
FII India staff developed marketing material for use in channels targeting various audiences. Advertisements raised the profile of Canadian lumber with manufacturers, while pre-conference e-mail advertisements created awareness of FII India's presence at trade shows. Other communications material included a species overview, a species fact sheet, a brochure on lumber grades and sizes available from B.C., as well as a brochure outlining how B.C. wood can be used in India with comparison to species that are familiar to manufacturers and importers.

FII India also officially launched www.canadianwood.in, the only wood-based website catering to target groups in India. The website creatively caters to Indian industry stakeholders and has been visited extensively since its launch.



EUROPE

B.C. Softwood Lumber and Panel Exports to Europe



B.C. Position

- 3% of softwood lumber imports by volume

B.C. Export Sales

- 2014: 197,568 m³ of commodity wood products valued at $153 million
- 2015 (through August): 112,814 m³ valued at $96 million (this represents a 22% decrease in volume and a 11% decrease in value measured over the same period last year)

Market Overview

Europe[4] is the seventh largest export market for B.C. wood products. The EU market for wood products is characterized by a mature housing sector with opportunities for high quality, niche products that meet environmental standards. Europe has traditionally been a strong market for coastal products, especially western red cedar and Douglas fir.

Fostered by falling oil prices, an increase in disposable income and increased consumption, the European economy began to recover half way through 2014. The economy grew at 2.6% (+2.6%) overall, but unemployment remained high at 10% (-1%). The depreciation of the euro promoted growth in all export sectors and the European Central Bank announced a stimulus package in January 2015 that will inject €1.16 trillion into the European economy through September 2016 further devaluing the euro, stimulating exports and boosting production. Although representing only 2% of the Eurozone GDP, structural weaknesses in the Greek economy still threaten Eurozone stability.

Production, Consumption and Imports

Europe's consumption of softwood lumber stayed the same at roughly 76 million m³ (+0%), production grew to 93 million m³ (+3%) and imports rose to 6 million m³ (+11%) in 2014. In the UK specifically, consumption grew to 9 million m³ (+12%), production to 3.7 million m³ (+4%) and imports to 5.9 million m³ (+16%).

B.C.'s Share of Lumber and Panels

B.C. sold a decade-low 181,067 m³ of lumber to the EU28 (-3%) in 2014. B.C.'s share of imports dropped to 2.9% (-0.3%) and share of consumption remained the same at 0.2%. Although lumber shipments to the UK improved to 51,000 m³ (+7%) these numbers are below historical levels. B.C.'s share of imports and consumption in the UK measured below 1%.

[4] The EU28 includes Belgium, Bulgaria, Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom.

Opportunities and Challenges

Europe's 2020 vision plan, which includes ambitious renewable energy targets, has driven demand for wood pellets used for cogeneration in coal-fired plants as well as consumer demand in the residential energy (home heating) market. Canada remains an important supplier ($265 million), but the US continues to supply much more ($819 million). While Europe remains an important market for B.C., pellet suppliers have begun to focus more heavily on Asian markets such as South Korea and Japan.

Negotiations between Canada and Europe around the Comprehensive Economic and Trade Agreement (CETA) continued through 2014, although the Agreement still must proceed through the ratification process. If ratified, CETA should lead to the complete (99%) elimination of trade tariffs applied to industrial products traded between Canada and the EU.

Market Strategy

Maintaining market access for B.C.'s forest products, including the growing wood pellets segment remains the strategy for market development funding in the EU. Research and active engagement with EU regulatory bodies form the core of the approach.

Efforts in the value-added area focus on the EU countries with the greatest likelihood of sales (e.g., Germany, U.K., France, and Netherlands), with an emphasis on developing opportunities for log and timber frame home packages and other pre-fabricated solutions in Eastern Europe where some niche value-added products are gaining traction in markets that are least affected by the current turmoil in the region. With support from FII and Natural Resources Canada, investigations into the opportunities in Eastern Europe continued during the year. Initial research indicates that further work may be warranted to analyse segment-specific opportunities in sub-regional markets. To date, promotional efforts are focused primarily on development of literature profiling the use of B.C. species in target applications.

The EU is considered a global leader in environmental regulations, such that efforts by FII and others can have a spin-off impact in other regions, including Asia. FII's Market Outreach activity in the EU will continue to focus on protecting and enhancing B.C.'s international reputation as a leading supplier of sustainable forest products. The Market Outreach Program fulfils an important role in ensuring market access by working closely with Canada Wood and others on monitoring issues, and participating in debates and discussions on green building and environmental product declarations.

In 2015, FII's Market Outreach Program is working collaboratively with the pellet sector to ensure that B.C. and Canada's certified biomass feedstock is recognized by Dutch authorities and utilities to meet sustainability requirements for co-firing.

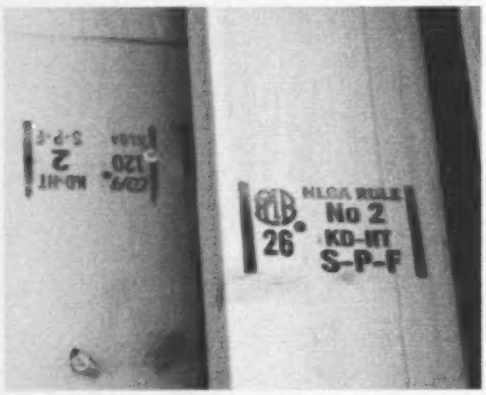
Select Accomplishments

- Interest in B.C. pellets remained strong from Europe. While the UK holds its position as the dominant pellet market for electricity generation, B.C. gained market share in Italy's heat generation sector.
- The Sustainable Biomass Partnership (SBP) of major European power utilities officially launched its chain of custody framework. High forest certification levels among B.C. producers ensure that SBP requirements are met.
- Promotions in Central and Eastern Europe generated value-added product sales of more than $1.3 million in 2014.

Grapple transports pellets from a barge at Ovet Terminal, Kaloot Harbour, Vlissingen, Netherlands.

Pellets market

Funded by FII, the Wood Pellet Association of Canada (WPAC) continues to position B.C. prominently in Europe. WPAC and FII (representing the Canadian Council of Forest Ministers' Forest in Mind Program), supported by embassy staff in The Hague, met with the Dutch government, energy companies, ENGOs and other stakeholders in the Netherlands to ensure that the draft Dutch biomass sustainability criteria would allow Canadian wood pellets to access the Dutch marketplace.



CE Marking[5]

The draft European Standard EN14081-1 would have precluded Canadian lumber from being marked with the standard Kiln Dried (KD) marking, thereby affecting market access in Europe. Led by Canada Wood UK, and in collaboration with the Department of Foreign Affairs and Trade Development Canada, the National Lumber Grades Authority and the Standards Council of Canada, Canada's views were put forward to the European Committee for Standardization and to the European Commission. In May 2015, the European Commission indicated that the revised European Standard would not include an exclusion of KD marking.

[5] "The letters "CE" appear on many products traded on the extended Single Market in the European Economic Area (EEA). They signify that products sold in the EEA have been assessed to meet high safety, health, and environmental protection requirements" (quoted from the European Commission's website).

Wood First in B.C.

Overview

FII has been responsible for advancing the provincial government's Wood First initiative since 2011. FII's Wood First program aims to position B.C. as a leader in advancing the use of wood through innovative solutions. This includes directly supporting, and being a champion for, advancements in wood building systems, technologies and designs.

True to the model of sustainability, increased wood use in structural and architectural applications benefits the province economically, environmentally, and socially. For instance, the development of advanced wood technologies and building systems fosters innovation and growth in value-added manufacturing, which supports the forest sector by creating and sustaining jobs. Because B.C. has more certified forested area than any other jurisdiction except Canada as a whole, increased use of B.C. wood encourages sustainable forestry practices, and positions B.C. as an environmental steward. The sector also generates government revenue and is therefore important to the social fabric of many communities.

By demonstrating innovative uses of wood here at home, the Wood First program helps promote acceptance of B.C. wood products across the globe.

Strategy

The Wood First Advisory Committee, the members of which represent a broad cross-section of manufacturers, specifiers, and end users, worked together to develop the following five objectives of the Wood First program:

1. grow a culture of living and building with wood in B.C. and beyond,
2. maximize the appropriate use of wood in public and private projects,
3. strengthen B.C.'s capability to produce competitive wood-based products and building systems that create and respond to market demand,
4. accelerate adoption of existing and emerging wood-based products and building systems, and
5. position B.C. as a world leader in sustainable and innovative wood-based products and building systems in design, production, and application.

Delivery

FII selects delivery programs through an annual competitive call for proposals. Successful proponents deliver specific promotional, research, educational and capability-building projects and activities that align with the program's strategic objectives and priorities. FII also directly engages consultants to deliver program-related projects.

Courtyard of Sail, a six-storey wood-frame construction condo development consisting of 172 units at the University of British Columbia.

Select Accomplishments

- Outreach targeting the building and design community remained strong. A record number of 1,200 architects, engineers, developers and regulators attended the Wood Solutions Fair organized by the Canadian Wood Council WoodWorks! BC.
- The Canadian Wood Council WoodWorks! BC program converted 49 projects in B.C. to wood (from alternate building materials), with the value of wood influenced at approximately $39 million.
- The University of British Columbia Okanagan, a new Wood First funding recipient, conducted research on, and produced design guidelines for, a new hybrid steel-timber building system. Incorporating cross-laminated timber panels, the hybrid system has the potential for applications in wood buildings taller than six storeys and for adoption by practising engineers to explore other steel-timber hybrid systems. The guidelines provide much-needed design parameters that do not exist in the building code for this type of building system.
- The national research network for engineered wood-based building systems, NEWBuildS, used risk assessments to demonstrate how fire protection measures can be adjusted to ensure that a mid-rise or high-rise wood building has the same level of safety as a building of non-combustible construction. The information is useful to architects, fire protection engineers, code consultants and code committees for setting design solutions that provide the desired level of fire safety performance.
- Assistance to value-added manufacturers to improve their business and manufacturing processes have reduced costs and increased productivity. The subsequent increase in sales has allowed manufacturers to increase their capital investments; for example, manufacturers participating in the program have collectively invested approximately $2.5 million in building expansion and a further $1 million in equipment purchases.

Wood Innovation and Design Centre

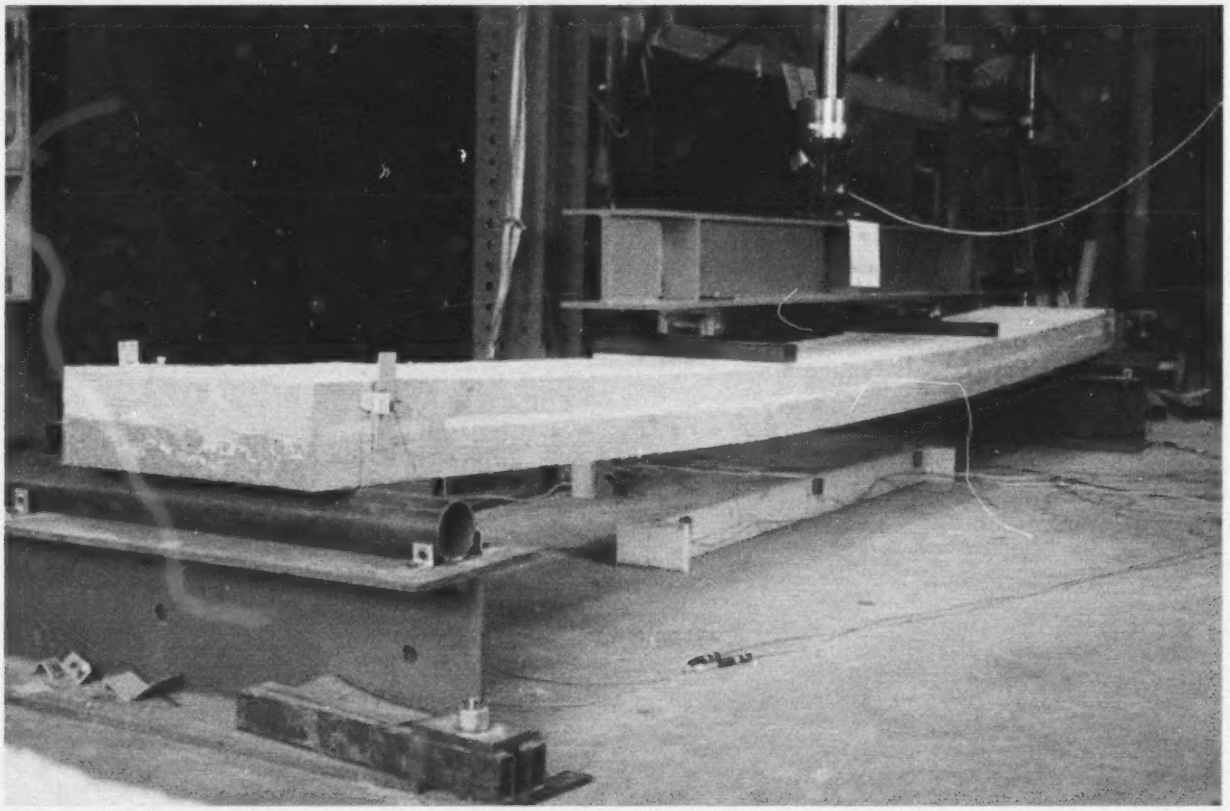
The Wood Innovation and Design Centre (WIDC) in Prince George was completed in October 2014. It is presently among the North America's tallest contemporary wood buildings. WIDC is a showcase of innovative uses of wood in the province such as mass timber construction and design adaptations for fire resistance and acoustics. All the dimensional and engineered wood products were manufactured in B.C. The province invested $25.1 million in WIDC; this investment created 250 new jobs during the life of the project. FII has published a 12-page case study, as well as released an eight-minute long video highlighting features of this project. FII also assisted the Ministry of Jobs, Tourism and Skills Training in the preparation and staging of the grand opening event. As a precedent setting structure in North America, WIDC has been showcased in the media as an example to follow for future tall wood buildings. WIDC has received significant coverage across a number of prominent publications.

Canada:

- Globe and Mail
- Vancouver Sun
- Ottawa Citizen
- Canadian Architect
- Construction Business
- Construction Canada

United States:

- Wall Street Journal
- Boston Globe
- The Economist
- Architectural Record
- The Guardian (US)



Research: Investigation of Timber-Concrete Composites

By integrating mass timber products such as cross-laminated timber, laminated strand lumber and laminated veneer lumber, with other materials such as steel or concrete, hybrid structural components can increase the use of timber in building construction beyond current limitations. The timber-concrete composite (TCC) floor is a hybrid structural component that is made up of a layer of concrete overlaid on a layer of timber elements, with mechanical shear connectors connecting the layers.

The University of British Columbia's Centre for Advanced Wood Processing carried out a research project to examine different shear connectors for the TCC floors, including self-tapping screws, glued-in steel mesh and a system based on mechanical interlock. FPInnovations carried out the research, which grew through a subsequent Natural Sciences and Engineering Research Council Engage grant with Weyerhaeuser. Industry donated the material for more than 300 small-scale and 27 full-scale specimens, which were fabricated and tested.

Practising engineers and industry partners enthusiastically provided input to the development of the test program to ensure specific industry needs were addressed.

The project was completed on time and on budget, with the project generating performance data and design guidelines to help incorporate TCC floors in buildings.

Wood's Perceived Strengths

General Population	Architects	Engineers	Builders / Developers
Aesthetics **39%**	Good for environment **61%**	Easy to work with **63%**	Aesthetics **46%**
Easy to work with **38%**	Aesthetics **49%**	Good for environment **43%**	Easy to work with **45%**
Salvageable **31%**	Available materials **48%**	Available materials **41%**	Available materials **45%**
			Good for environment **41%**

Research: Wood Use Perception Survey

To obtain a current understanding of their views and preferences regarding wood use in buildings in B.C., FII surveyed two key audience groups: 1) specifiers (architects, engineers, developers and builders), and 2) the public.

We surveyed specifiers to:

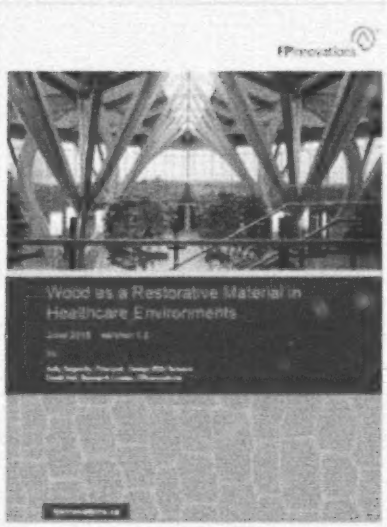
- measure designers' propensity to specify wood architecturally and structurally,
- identify the key drivers that influence designers' material choices, and
- identify the relative preference between major building materials.

We surveyed the general public to:

- measure consumer preferences relative to wood for facility use, shelter, furnishings, and everyday objects,
- gauge the current limits of the general public's understanding of wood use, as well as perceptions as they relate to B.C.'s level of expertise and global reputation as a supplier of wood products and expertise, and
- identify the key drivers that influence consumers' material choices.

Key findings:

- Over the last five years, 24% of specifiers surveyed have used more wood in the design of the structures for multi-family construction and 37% for non-residential construction.
- Wood continues to be the preferred structural material for multi-family buildings in B.C.
- The general public perceives the top three strengths of wood as being aesthetic, easily workable, and salvageable.
- 88% of the general public continues to feel that wood is an important part of our history in B.C.
- Designers perceive the top three strengths of wood as good for environment, aesthetic, and available.



Wood as a Restorative Material in Healthcare Environments

FII commissioned FPInnovations to build a stronger evidence-based case for the use of wood in healthcare facilities. FPInnovations carried out a comprehensive review of current literature and recently completed works around the world. Evidence shows that people are healthier, happier and more productive when connected with nature.

The report concluded that the shift toward greater use of wood in healthcare environments is an important and practical step in reconnecting patients, families and practitioners with the pro-health benefits of exposure to nature.

The report is posted on the naturally:wood and reThink Wood websites. It has been covered in various media outlets including those dedicated to design and the construction of medical facilities.

Focus in 2015/16

For 2015/16, Wood First efforts focus on the following priorities, reflecting the input of the Wood First Advisory Committee:

- enable components of the supply chain to competitively supply effectively, efficiently and without delay,
- obtain solutions from research for quick adoption in various parts of the supply chain,
- expand target audiences receiving training, and transfer to all audiences new relevant information,
- build public awareness and support for Wood First,
- advance engagement of governments to increase support for Wood First and uses of wood in public buildings, and
- demonstrate progress of the value-added manufacturing sector in improving competitiveness using Wood First funding.

Funded program agencies and FII are delivering these efforts through a combination of promotional initiatives, research, and educational programs and activities.

Promotion

Promotional efforts are targeting architects, engineers, builders and developers in the construction sector in B.C. by:

- promoting to municipalities, especially those in the Greater Vancouver and Victoria areas, the benefits of using wood in construction,
- promoting the sustainable attributes of wood through educational seminars and a suite of printed literature,
- facilitating participation of value-added companies at trade events, and
- broadening wood design awareness through delivery of an annual awards program.

Research

A range of applied research is being funded to further B.C.'s leadership in innovative wood use and building systems, as well as to support code and regulatory change, including:

- conducting fire tests to demonstrate the validity of wood-concrete composite floor systems and cross-laminated timber panels as practical alternatives to non-wood construction approaches,
- conducting studies on issues and barriers facing building officials, developers and builders, and
- studying and documenting the processes for planning, design, construction bidding and procurement of a proposed innovative tall wood building project in B.C.

Education

Professionals in the construction sector, including architects and engineers, are being trained in practical wood design and construction solutions through a series of seminars, luncheons, tours and discussions. These activities build on a highly successful series of outreach activities in 2014/15. In addition to programs geared to professionals, training is also being provided to students to prepare them to be future users of wood. The focus is on providing opportunities to translate design concepts into built objects and gain hands-on experience through design-build projects.

Strengthening Capability of the Value-Added Industry

For several years, FII has been supporting a more competitive value-added sector by funding a service that works directly with individual companies as well as providing industry-wide training. This program continues with an emphasis in the following areas:

- increasing competitiveness, innovation and adaptability of individual value-added wood companies through assessments, site visits, workshops and conferences,
- supporting value-added manufacturers in their development of new products through design, engineering, prototyping, testing, and cost/benefit analyses,
- fostering collaboration between manufacturers and industrial designers,
- improving entrepreneurial skills of small- to medium-size wood products manufacturers through technology transfer projects, technical assessments, workshops, webinars, technical help line service, and face-to-face outreach activities, and
- identifying opportunities for, and barriers to, the application of offsite manufacturing of wood buildings and components.

Market Outreach Program

Overview

While forest industry associations and companies promote the benefits of their specific product lines, FII positions the B.C. forestry sector and its competitive advantages as a whole. FII's Market Outreach Program ensure that customers of B.C. forest products have access to factual, consistent and credible information regarding the province's forest management practices, the environmental benefits of using wood products, and the range of wood products and construction technologies that are available from B.C.

Never have environmental practices been more important to consumers. As a leader in sustainable forest management, there is great value in articulating the merits of using B.C. wood. Not only is it renewable by nature, wood has an overall smaller environmental impact than other building materials and the forest sector as a whole has made impressive gains in reducing its overall footprint.

Strategy

The Market Outreach strategy aims to position B.C. as a global leader in sustainable forest management and to promote B.C. wood as a preferred building material. This twofold approach strengthens awareness of B.C. and our forest products in major markets, supports greater market share and ensures easier access to new markets.

In pursuit of this strategy, the program takes advantage of advances in wood building technologies as well as the desire of architects and regulators to find innovative ways to increase the energy efficiency of buildings.

Specifically, Market Outreach:

- provides information and resources (fact sheets, videos, case studies) regarding B.C. forest practices and products to architects, engineers, developers, builders, foreign government regulators, importers, and to a limited extent, consumers,
- champions a scientific approach when highlighting B.C.'s forest practices in the context of mitigating climate change, and the merits of wood-based construction technologies in the context of adopting green building standards,
- encourages and collaborates with forest sector stakeholders to deliver consistent and compelling messaging around wood innovation and environmental impacts, and
- monitors and advocates for codes, standards, and policies that recognize the merits of wood and B.C. forest products.

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British Columbia wood. Sustainable by nature. Innovative by design.

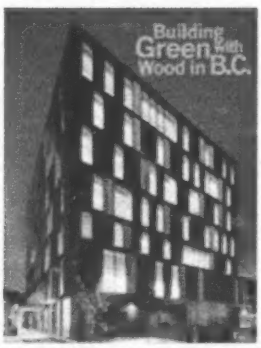
Focus in 2015/16

For 2015/16, Market Outreach activities are targeting regulators, policy makers, architects, engineers, builders and buyers of wood products.

Market Monitoring and Advocacy – Enabling Access for Wood and B.C. Forest Products

FII proactively monitors, and works with government and industry stakeholders to engage on, environmental and forestry-related issues that may limit market access or acceptance of B.C. forest products. For 2015/16, monitoring and advocacy efforts focus are focusing on:

- B.C.'s reputation as it relates to forest management and sustainability, and particularly as it relates to the Great Bear Rainforest, Canadian Boreal Forest and developments in forest certification systems,
- through the national Forest in Mind Program, and together with provincial and federal stakeholders, on developing regulation on non-tariff trade barriers relevant to forest products in all significant market regions, and
- trade barrier developments such as illegal logging import policies in Indonesia and Australia, and the European Commission's Renewable Energy Directive.



The Building Green with Wood in B.C. toolkit is available on naturallywood.com.

Marketing Communications – Positioning British Columbia Forests and Forest Products

Having made significant adjustments to forest management practices over the past two decades, Canadian producers have an opportunity to position themselves more competitively by communicating that their products come from legally-logged sources that welcome scrutiny, achieve third-party certification, and do not contribute to deforestation.

Through the naturally:wood website, FII provides commercially neutral information on the performance and environmental merits of wood as well as the advancement of wood use in B.C. This includes information on wood species, manufacturers, wood products, building systems and various aspects of sustainable forest management.

Messaging around the environmental reputation of B.C. and Canada is delivered through FII's subsidiaries in China and India, as well as through partnerships with Canadian trade and forest product organizations, such as BC Wood, WoodWorks BC, the Canada Wood Group and the Canadian embassies and consulates.

Marketing Communications - Growing Demand for Wood

Increased structural and architectural uses of wood offer economic, environmental and social benefits to B.C. Beyond generating revenue, increasing the use of wood products fosters innovation and the growth of value-added manufacturers, sustaining and creating jobs in the forestry sector.

With growing pressure to reduce carbon footprints, building designers around North America are increasingly being called upon to balance functionality with cost and environmental impacts.

In support of these efforts, FII continues to raise the profile of wood as a green building solution by profiling research and buildings from B.C. that highlight to domestic and international markets the opportunities that B.C. wood products offer.

FII also works with the Softwood Lumber Board to deliver the reThink Wood campaign to communicate and raise awareness of the value of softwood lumber products to architects, engineers and developers in the United States.

View videos and case studies featuring leading edge non-residential and mid-rise wood structures.

View resources ▸ naturally:wood®

Learn about new and emerging trends in wood innovation and design.

Watch YouTube videos ▸ naturally:wood®

Select Accomplishments

Protectionist legislation in California

In February 2015, the California Assembly introduced Bill AB-429 intended to provide purchasing preference for wood products from California forests in state agency purchasing. As the bill passed through the California legislative processes, Canada's views were presented in a cohesive and collaborative manner involving B.C.'s Ministries of International Trade and Forests, Lands and Natural Resource Operations, as well as FII, the Forest Products Association of Canada, Natural Resources Canada, and the Department of Foreign Affairs and Trade Development Canada. The bill was passed by the California Assembly and Senate, but was vetoed on October 5, 2015 by the California Governor.

naturally:wood
Resources Directory
Wood Innovation & Design Centre Video
British Columbia's Sustainable Forest Management Practices
An Introduction to the Wood Innovation and Design Centre (WIDC)
Tall Wood Survey - WIDC Bulletin

Championing B.C. Forest Products & Building Systems

With partners such as Canada Wood Group and a number of industry associations and companies in B.C., FII helped arrange and host eight incoming missions in 2014/15 with approximately 100 participants from China, Finland, India and South Korea. Key themes included forest management, reforestation and B.C. product innovations. During these missions, visitors were able to experience signature buildings such as in the 2010 Olympic and Paralympic Winter Games venues.

Visitor traffic to FII's naturally:wood website increased to approximately 56,000 visits. The number of visitors who searched the site for B.C. forest products manufacturers increased to over 8,600. Viewership of naturally:wood's YouTube channel increased 31 per cent over the previous year with the new Wood Innovation & Design Centre video receiving more than 10,000 views in the months following its release.

Visitors from industry associations, the media and government requested over 1,100 images from FII's online gallery. Additionally, there were an increasing number of video footage requests from countries such as Japan, Korea, China and the US.

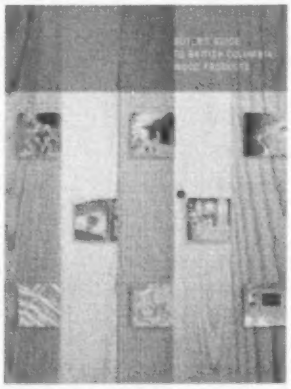
FII chaired the Canadian Council of Forest Minister's Forest in Mind Program and managed the program's communication deliverables, including website, video and factsheets. The www.sfmcanada.org website saw a 53 per cent increase in visitor traffic. The SFM Canada YouTube channel experienced a 459 per cent increase in views over the previous year. A total of 3,310 publications were downloaded (a 29 per cent increase) with Sustainable Forest Management Policies being the most downloaded document.

Industry Resources

FII works with forest industry associations and government to develop materials and tools to promote B.C.'s forest products and sustainable forest practices internationally.

Used by the B.C. government, forestry companies and trade associations, these resources:

- provide facts on B.C.'s forest practices and products, wood building systems and the environmental benefits of wood,
- provide information on market opportunities, and
- support market development and communications activities.



Market and technical research

To remain competitive in a dynamic global environment, industry benefits from access to timely market research. Our corporate website (bcfii.ca) includes an extensive library of research on major and emerging geographic and sector markets, including:

- trend data and statistics – monthly sales data, annual trend analysis reports, and various market intelligence reports by geographic area/market, and
- technical data on B.C. species, wood products, manufacturing processes, as well as tracking of environmental trends such as green building, life cycle analysis, and carbon accounting.

Wood export guides to China and India

Demand for B.C. wood products in China and India is growing. In response to this, FII has published export guides that cover import regulations, trade finance, and other key issues, helping potential exporters plan and manage their expansion into these markets.

Image and video libraries

Our image and video libraries contain a wide range of digital assets. With nearly 3,000 images and over 30 videos, we offer a range of visuals featuring B.C. forests, forestry activities, wood products, manufacturing processes, wood buildings, and innovative uses of wood products.

Promoting B.C. Wood Products

A product of FII, naturallywood.com is a comprehensive information resource that brings together the latest, most reliable data about wood performance, green building and life cycle assessment, as well as B.C.'s wide variety of forest products, manufacturers, sustainable forest practices, forest certification, wood products, and more. Resources include case studies, project profiles, factsheets, toolkits, and videos. Naturallywood.com also includes directories for B.C. suppliers and certified products. Videos and case studies feature leading-edge commercial and mid-rise structures using B.C. wood products.

naturally:**wood**®

British Columbia wood. Sustainable by nature. Innovative by design.

Case studies:

- Wood Innovation and Design Centre
- Mid-Rise Wood-Frame Construction in B.C.
- Wood in Healthcare
- Wood in Education
- Wood in Higher Education
- Wood in Transportation

B.C. projects:

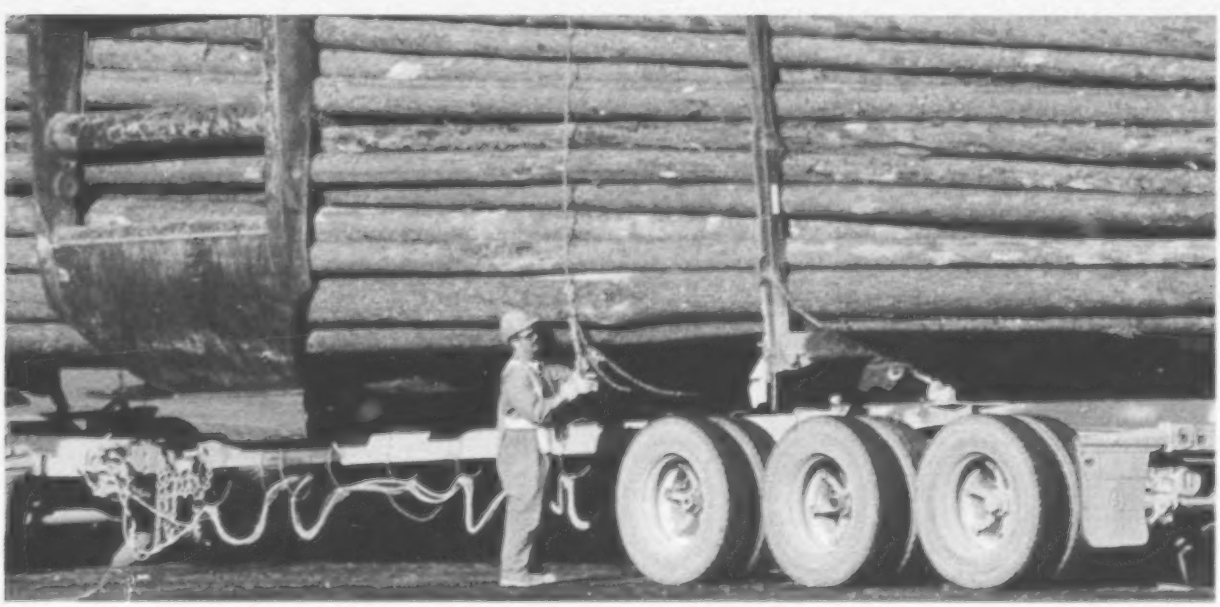
- Profiles featuring 50+ new public buildings in B.C. using wood

Factsheets:

- Diverse and Innovative Wood Products
- Responsible Paper Production
- Sustainable Forest Management
- North and Central Coast
- Third-Party Forest Certification in British Columbia
- Comparison of Selected Forest Certification Standards Around the World (2009)
- Legal Source of Quality Forest Products
- A Guide to Chain of Custody

Building Green with Wood Toolkit:

- Factsheets on how wood products can achieve credits under the most commonly used green building rating systems



Videos

Through our naturally:wood website, we have developed has developed a YouTube channel, which is home to over 30 videos, including the following titles:

- Managing for Sustainability - Forest Management in British Columbia
- The Wood Innovation and Design Centre
- British Columbia Wood Center Stage at TED 2014 Conference
- Future of Mid-Rise and Mass Timber Wood Construction in B.C.
- A Mass Timber Case Study: The Earth Systems Science Building, UBC
- Wood Design and Construction in Mid-Rise Buildings
- Mid-Rise Construction in B.C.
- History of Wood Construction and Forest Management in B.C.
- Showcasing B.C.'s Expertise : An Introduction to the Wood Innovation and Design Centre (WIDC)
- Large Wood Structures
- Complex Structures: Solutions in Wood
- Large Wood Buildings in Europe
- Wood: An Integral Part of a Net-Positive Re-Generative Building
- Exemplary Model for Sustainability in Tall Wood / Mass Timber Construction
- Mid-Rise Cross Laminated Timber (CLT) Buildings & Construction
- Wood Construction in Mid-Rise Buildings
- Wood in Design
- North Vancouver City Hall Builds A Community Space With Wood
- Elkford Community Conference Centre Showcases CLT Wood Construction
- The Warmth of Wood: A Natural Approach to Learning
- Wood Construction: Educational Institutions
- Wood Construction: Health and Institutional Facilities
- Wood Construction and Design: Airports
- The Design, Fabrication and Wood Construction of the Richmond Olympic Oval
- All Things Wood
- Wood Construction in Transportation - Sky Train Stations and a Bridge
- Bringing the Outside In - Hillcrest Aquatic Centre Showcases the Beauty of Wood
- Vancouver Convention Centre: Unconventional Wood Building & Construction
- Introducing Cross-laminated Timber (CLT) to North America
- British Columbia Wood. Sustainable by nature. Innovative by design.
- Green Roof, Gold Medals: Richmond Olympic Oval
- The Veteran Tree Planter - Tree Planting in B.C.
- Climate Change Solution: Wood Construction in Buildings
- Building Green With Wood: Sustainable Construction Material

Supplier Directory

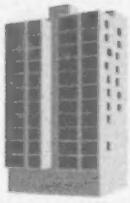
The directory list over 500 companies that manufacture and/or sell B.C. forest products and include species and certification/ chain of custody information.

Websites

Visit any one of our websites to explore various industry tools and resources.

- www.BCFII.ca
- www.naturallywood.com
- www.reThinkwood.com

LOOKING UP:
TALL WOOD BUILDINGS AROUND THE WORLD



TREET
Bergen, Norway
14 Stories
2015

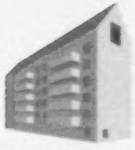
Trafalgar Place
London, UK
10 Stories
2015

17 TALL WOOD BUILDINGS
(7 STORIES OR TALLER)
HAVE BEEN BUILT IN THE PAST 5 YEARS AND COUNTING

Forté
Melbourne, Australia
10 Stories
2012

Banyan Wharf
London, UK
10 Stories
2015

Cenni di Cambiamento
Milan, Italy
9 Stories
2013



Strandparken
Stockholm, Sweden
8 Stories
2014

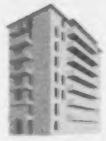
Puukuokka
Jyväskylä, Finland
8 Stories
2015

Wood Innovation Design Centre
British Columbia, Canada
8 Stories
2014

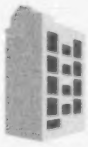
St. Dié-des-Vosges
St. Dié-des-Vosge, France
8 Stories
2014

Pentagon II
Oslo, Norway
8 Stories
2013

LifeCycle Tower One
Dornbirn, Austria
8 Stories
2012



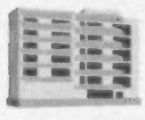
Holz8
Bad Aibling, Germany
8 Stories
2011



Contralaminada
Lleida, Spain
8 Stories
2014

Bridport House
London, UK
8 Stories
2010

Wagramerstrasse
Vienna, Austria
7 Stories
2013



Panorama Giustinelli
Triste, Italy
7 Stories
2013

Maison de l'Inde
Paris, France
7 Stories
2013

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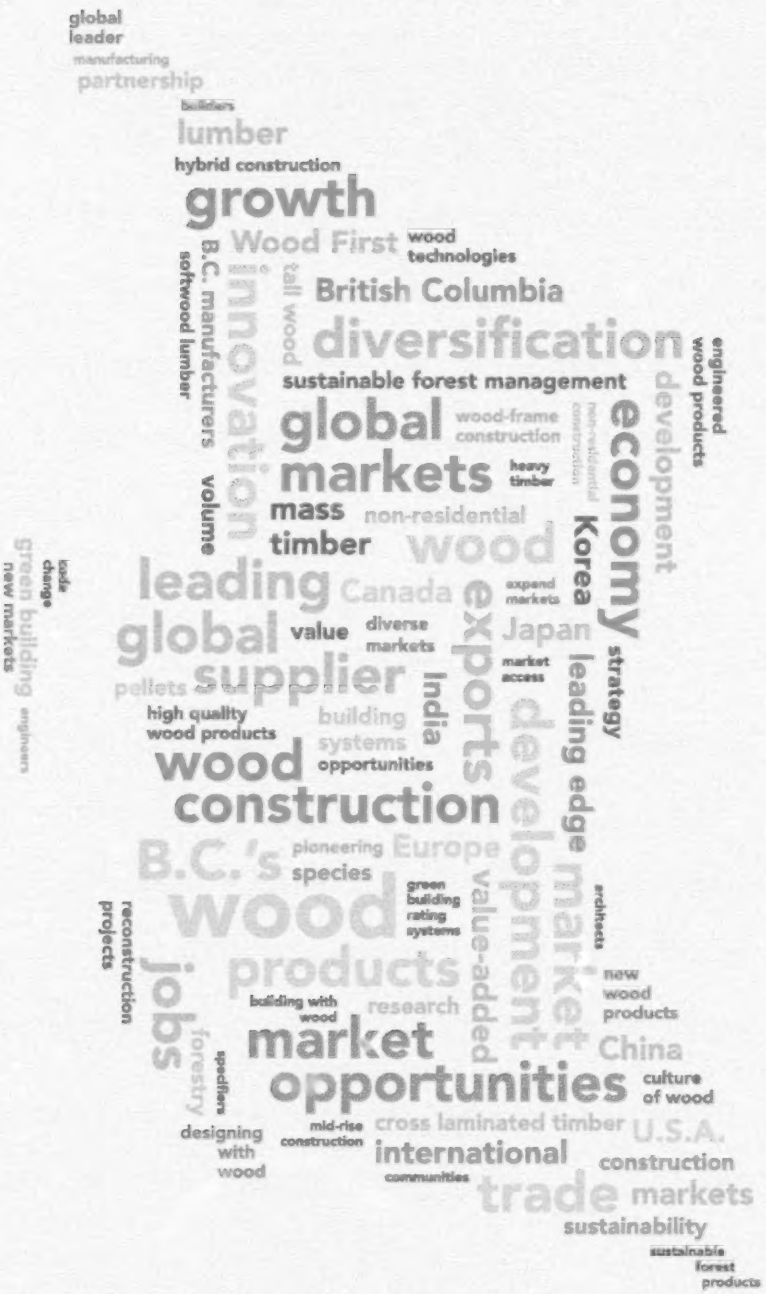

Forestry Innovation Investment

BRITISH COLUMBIA